FBIS DAILY REPORT

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ALFONSIN ADDRESSES CONGRESS OPENING SESSION

PY011440 Buenos Aires Argentina Televisora Color Network in Spanish 1159 GMT 1 May 87

[Address by President Raul Alfonsin to Congress from the Chamber of Deputies of the National Congress in Buenos Aires on occasion of the opening of the 105th regular sesssion of Congress -- live]

[Excerpts] Honorable Congress. This traditional meeting between the president and legislators, which is the symbol of the unity and independence of the powers that run a democracy, is taking place today when words of the pope calling on the Argentine people for peace and reconciliation are still echoing.

The pope's messages on ethics, freedom, and justice, for the construction of a civilization of love, and his appeal for austerity and effort will always be remembered by the Argentine people without regard to religious beliefs. His teachings will strengthen the virtues and personal behavior of our people to improve democracy, and strengthen the fraternal coexistence of our society.

We owe a new debt to the Holy See. The Argentine people owe the pope permanent gratitude for his generous service of mediation which strengthened the cause of peace. We also owe him our recognition for his words and understanding that the full reestablishment of democratic institutions is a privileged moment for the Argentine people.

This meeting is also taking place only a few days after a very serious institutional crisis. There is some logic to the chain of events, more or less predictable in any historic process, which sometimes goes beyond the understanding of the participants in these events. This usually happens during critical times, when a crisis is affecting a society, and its defenses are down. These are times of spiritual withdrawal.

The times of crisis are real trials by fire in which the destiny of a people is at stake. There is no need for any elaborate analysis to understand this. We have seen it, we have lived it, as we have lived it a few times in the past, when unfortunate episodes turned into extraordinary demonstrations of what a society is able to do to participate in a historic event.

We have overcome one of the most serious crises a nation can face, a crisis in which there was a dramatic confrontation between a part of the country that is dying and another part that is beginning to grow. We went through 4 long and anguished days. Everyone with his own experience and responsibility participated in a colossal and collective effort to solve one of the worst Argentine crises of recent years. It was not an experience of calm reflection in which a conclusion was reached by reasoning. It was a moving experience that made us feel something inside, made us feel that we were growing. Not all people have an opportunity to experience something like this. It is not always easy to feel a dizzy spell and not fall. We have had emotional experience, and we are now in a position to draw conclusions from it, to really understand that those days mean to us. This is an unavoidable challenge for everyone.

This is the only way we will not waste that great experience. This is the only way to transform the anguish, tears, enthusiasm, hope and commotion of those days into a desire to pass through the transition period.

This is a force that comes when the peaceful will of many people has more power than an armed threat. This consolidated collective strength can be the starting point to take definite steps toward coexistence and a meeting of minds. In fact, the hands of the clock seemed to turn back for a moment. At that time we were on the brink of a collective disaster, of an internal confrontation that would have moved us from the political arena to the wasteland of war and disintegration. In the seriousness of the situation, each Argentine responded to the challenge with a determination that overwhelmingly attested to the great maturity our society has achieved, turning democracy into a concrete way of life, into a cause that must be defended when the real responsibility of building up the nation both for ourselves and our children is at stake.

We certainly want to draw conclusions from what happened. We must learn lessons by understanding that we have not retreated on the road that we have chosen together. Events have shown that we are indeed moving forward along the road to the definitive integration of Argentina, and that we need to accelerate the march and impart greater momentum to the transition. We have closely observed the potential dangers of our transition.

We have seen, the entire society has seen, where disregard for institutions and thoughtless outbursts of authoritarian behavior can lead. Only after we affirmed our decisions that we would never again accept authoritarianism -- that is, democracy is irreversible -- did we fully understand our strength; when the workers, businessmen, unionists, politicians, church people, students, citizens of all ages and social positions came out on the streets to say no to the past and yes to the future; to say no to those who once again brought the nation to the border between life and death, between peace and bloodshed.

Let this be a reminder in the social conscience, a warning in the memory of the people, so that the need to set aside petty disputes can be understood, in order to muster the collective will behind greater consensus and broader common denominators capable of building stronger and more stable institutions, which this society in the process of transformation deserves.

The military institutions, as well as the political, economic, and cultural organizations, are also going through a process of transition from authoritarianism to democracy. We civilians are now relearning how we can live in tolerance and pluralism. The Argentine military is returning to the framework of strict discipline and healthy obedience, but this is not achieved without the emergence of past unpleasantness. However, any attempt to exploit the difficulties and problems of the Armed Forces is a threat to the democratic system as a whole. But this, as was seen, will not be accepted by the majority of the people.

Honorable Congressmen: What do the Argentines want? In what way must we act to discharge our duty to live up to the exemplary behavior of the Argentine people, as we in fact wish to do? I will allow myself to express some thoughts in this regard before the representatives of the people and the provinces. I sense that the first wish, or I would say demand of the people, is that we work together in a systematic and orderly manner, toward building as rapidly as possible a country in peace and justice. We must begin by taking stock of where we are. It is impossible to accuately assess the present situation in the country without realizing that this is a stage of transition.

The government that we represent together is not a normal government administering a normal situation. We are not experiencing a normal situation in the course of history. These are times of change, ruptures, and creation.

We are at a crossroads. We have been experiencing a crisis, and now the government and society, together, are striving to gain momentum to overcome it. But this is an enormous and difficult task, because we have never experienced such an intense, complex, and enduring crisis as the one we are presently confronting. We have said that crises mean not only stagnation, anomalies, or paralysis. They are also a challenge; and therefore, they give us another opportunity.

We are aware that we have been experiencing a crisis for many years and that it cannot be solved by looking backward, but only by looking to the future. We will not find any solution to the present Argentine crisis in any past golden period. This is the rule of conduct that should mobilize the creative energy of Argentine social, political, and cultural sectors.

Moreover, ours is not the only country that is experiencing conflicts. Conflicts affect all nations, regardless of their political regime or their ethnic structure. What is more, conflicts call into question many of the hypotheses which have served as the basis for the relations between men and nature, and men and their peers.

We are experiencing not only an economic and technological crisis but also an ethical, political, cultural and social crisis.

The fact that we are aware that the crisis we are experiencing is part of an international phenomenon, should not make us forget that we are also confronting a crisis at the national level. Our main task is to realize this. We must be logical and begin work to overcome the present situation by achieving a fair balance between intelligence and passion: passion so that the majority of people can be mobilized, and intelligence to once and for all convince ourselves that history has shown us that there are no magic solutions, which are only found in fairy tales.

We are experiencing a complex crisis, and a complex transition process. The present circumstances have compelled us to travel two paths: one leading from authoritarianism to democracy and the other leading from the hopeless and futureless decadence of an empty model to a new nation.

Therefore, the Argentine transition process seeks to achieve two objectives: a new regime, and a new system. The double nature of the transition process at the institutional and structural level defines the essence of the times. Therefore, the government must center its activities on these two levels. In keeping with what is established in the Constitution and with democratic practices, the government is responsible for the institutional system in keeping with its capacity as the representative of the people. At the structural level, the government is the representative of society, which through all its organizations and institutions assumes the responsibility of implementing the project.

Argentine society has overwhelmingly shown that it has adopted a strategy to build its future: democracy. It has painfully learned that laws are not a formal issue but the border between life and death.

To assume democracy as a strategy to resolve social conflicts means that all citizens agree to uphold all laws established by the majority. In other words, there is certainty over those laws that will help to resolve conflicts but not about the results of these conflicts.

To avoid a return to the past, we must understand that we must be firm in our decision to support the strategy that we have chosen, and define those tactics that will be adopted to resolve those problems that are affecting us. Democracy presupposes a discussion on tactics, based on clear strategies.

To be involved in a democratic transition means that we have to overcome authoritarian habits that have been inherent over more than 50 years; to do away with the habit of taking short-cuts and disregarding rules.

Consequently, if we are to guarantee our democracy, society must strictly abide by the law. Respect for the law is the heart of the system; it is also the source of its power.

Honorable Congress: It is clear that the aspirations for changes call for proposals, instead of rhetorical overall approaches or a mere summation of sectorial proposals. We need pluralistic debate on all major transition issues. The debate is open, so that everyone can give his own opinion on the things that are useful, useless, or on those that must be created or modified.

Transition is a complex, difficult, and pluralistic process, which involves not only the government but the entire society. Therefore, all of us -- and not just the government -- are responsible for it. Each step must be considered not only from the viewpoint of its immediate effects but also as part of an overall project to build a society. We will certainly not achieve our targets in the short term or with little effort, despite the claims of some dreamers.

Each of the new measures enforced in the areas where structural changes are necessary can acquire new significance if considered from the viewpoint of that ambitious historical possibility that feeds on our dream to begin anew.

There are parts of the old Argentina that must remain unchanged; yet others must be put aside. There is plenty of room for a comprehensive change. To build a political system to replace a distorted institutional system is a task that calls for the cooperation of everyone. Proof of this is the case of other Latin American and southern European countries, whose societies have experienced and are still experiencing a process similar to our own.

Yet, when we talk about a common task and a common project, we must bear in mind that the history of a nation is not the result of a specific and careful plan devised by a talented leader. There is no plan for building a nation that can be carried out point by point, sector by sector. There are, however, moments like this, when the people discover that they share ideals and objectives that are different from sectorial targets or ambitions, and when they feel strong enough to achieve them.

It is said that all-encompassing doctrines or projects, which go beyond sectorial interests, are usually formulated at such moments.

These are the moments when the people build their own foundations, recover their own roots, overcome their frustrations, replace ideologies, build utopian ideals, think of the future as something feasible, and feel that a new stage has begun.

A major stage like the one we have just begun calls for reflection on our recent past -- to avoid the repetition of mistakes -- and on the immediate future to prevent our joint efforts from leading us to failure or destruction. We cannot mistake the will of the people for mere whim. Neither can we mistake the people's tradition for any specific event, no matter how important. We cannot mistake the objectives of the people and the nation for any dogmatic statement.

It took us time to understand that a modern nation, modern people, do not have a single idea or plan, or a single voice. A modern nation has many plans but just a single objective, which is the common good. It took us time, but we finally understood it. Now we have to act as the designers of the future. We should not build sandcastles for the future. We should be aware of our present situation, of our limitations, and of our power, the tremendous power of the people who work for those things in which they have faith. [passage omitted]

Honorable Congress, the Argentine people want to overcome stagnation under the protection of a great initiative: modernization, economic, technological, political, social and cultural modernization. This initiative represents a will to leave behind a past that burdens us in order to bring our society up to date.

This initiative, which is aimed at modernizing Argentina at all those levels, does not only depend on our will to overcome the stagnation that has been with us like a shadow for years. It is not that simple. We have already talked about the world crisis and the characteristics of our problems within that crisis. I would like to add that although the world crisis affects the large and small, poor and rich, capitalist and socialist countries, some of the most powerful ones maintain the initiative in their favor.

One of the countries affected by the crisis is Argentina, and if these countries stay where they are they will be erased by a new international division of labor, which will condemn them to backwardness and poverty for a long time. We must modernize our structure in order to survive. This is the dramatic situation in the world today. The basic problem is how to modernize and change our internal structure. Our failure to do so has condemned us in recent decades to backwardness and progressive decadence. Our frustration, which we call underdevelopment, backwardness, loss of opportunity and growing dependence, has many characteristics.

For decades the reason for our failure was a rigid society with no room for mobility, a fragmented society reluctant to find solutions through consensus. Consensus means having the capacity of commitment to basic ideas, which give meaning to a democratic system. What is the meaning of modernization within that framework? It means transforming a blocked and rigid society into a flexible and cooperative society, an open society.

Argentine society came very close to breaking up into factions as a result of successive difficult setbacks. This is why the main goal of this message is to create a new society out of a divided society.

We should not deceive ourselves -- the transition toward a consolidated democracy and modernization is not an end in itself. The goal is to create simultaneously a prosperous, solidary, independent, and participative society. This is our broad concept of the democratic transition in which we are involved.

We have said that in every measure we take we should see not an isolated event in an overall process but, rather, a link in a great chain of structural reforms. When we called for a consensus built around a program for the consolidation of democracy, we pointed out three basic plans, while not necessarily excluding others. They are the political-institutional, the socioeconomic, and the educational and cultural plans.

In all of these plans we have made initiatives to put into operation profound changes aimed at overcoming our decadence. None of the plans are, by definition, more important than the others. The path for transforming old ways is complex and covers simultaneously the economic structure, the political institutions, and cultural values. It is essential that modernization be freely and democratically carried out by all members of society. The irreversible technological revolution implies profound changes in the existing structures of production, but must not imply the acceptance of painful human cost. The representatives of the labor sector should be the first to understand and demand participation in the control of the modernization process. Innovations must not be viewed as enemies of the worker's welfare. On the contrary, the new methods of creating wealth should permit a greater distribution of that wealth.

In the past century, change was managed and controlled by the elites. Today, however, the modern concept of democracy calls for a participative method of management, excluding no sector of society. This new reality must be thoroughly understood by the rational managers of economic activities, such as businessmen, executives, technicians in general. What must be understood is that just as the production methods and tools of the past are becoming outmoded, the old principles of organization, operation, and management of the economic workplaces are also disappearing in the developed world of the present.

The people are interested in a sovereign and democratic process of modernization, which will result in a solid society. Should we not do it in this way, modernization will be imposed on us in a manner that will be unjust and socially costly, and the Argentine nation will be in danger. Therefore, time devoted to ideological disputes that are irrelevant in an advanced world -- ideological disputes that are nothing but the intellectual ornament of backwardness -- is time painfully wasted and lost. We must responsibly discuss the important issues, the issues that galvanize the interests and the actions decisive to the future of mankind. To this effect, I believe, Argentine society has rallied during the events that took place over Holy Week: to confront the real challenges of the times together, in freedom and pluralism. If we divert our efforts to passing squabbles and confrontations, our children will lay upon our memory the curse of having permitted and promoted the decadence of the Argentine nation -- and they will do so justifiably. [applause]

Honorable Congress: I have recently said that the path of any initiative to transform and change society is strewn with obstacles that represent a throwback to the past.

Voices are heard saying that the time for those initiatives has not yet arrived. But the people are saying that those initiatives must be taken here and now. If is not now, when?

Isolated from the cultural and technological development of the times, living on the fringes of the world economy, burdened with a heavy structure resulting from the accumulation of political and economic power, we have been waiting for decades for the Argentine miracle. Submerged in our internal conflicts, we never cast our eyes beyond our borders, except to see potential foreign enemies or to seek irrelevant and dubious models. In the meantime, the world was undergoing transformations never dreamed of, to which we had no access because the time had not yet arrived for Argentina. Unfortunately, the reality is quite different: The time for Argentina has already past.

We now have two alternatives: One is proposed by those who long for a past that has come and gone; the other is to transform the rusty gears of the machinery that runs present-day Argentina. The time has come to transfer the capital of the country. More than a mere administrative change, this transfer will finally signal the elimination of an Argentina that appears as two countries. [passage omitted]

It is impossible to resolve our situation if we do not confront all the structural weaknesses that have characterized our nation. No one can claim that moving the Argentine capital will resolve our economic problems because this is not true. But instead, it is feasible to guarantee that social well-being will be achieved only if we simultaneously confront all the causes that have led to stagnation and backwardness. The centralization of political and economic power is one of these causes, although it is certainly not the least important cause.

For 2 centuries the Patagonia region has been condemned to being a reserve territory. Uninhabited, lacking infrastructure, it was like the poor neighbor which is looked upon with indifference, despite the fact that its lands harbor magnificent unexploited resources that are only awaiting the hand of man to flourish. Many are the eyes that have coveted this gigantic portion of the world that Argentines have disdained. Patagonia is part of Argentina but very few of us have shown true concern for its condition except in doubtful nationalistic statements that have never tackled the main issue. How long shall we wait before achieving the definitive integration of a country that has been dispersed and fragmented? [applause]

The men living in the provinces are well aware that the national picture is quite different when viewed from the interior. They are familiar with the injustices of centralized power and accustomed to having their claims fall on deaf ears. Are we to again leave them behind just as we are establishing the basis for a long-lasting, solid, modern, and progressive democracy that will lead us to the 21st century?

This is the proper time to transfer the Argentine capital. Each specific and tangible action that will lead us to establishing the model of a modern country will ease the task of future generations that will govern in the next century. Let us not allow Argentine youths to be contaminated by the inertness that characterizes pedantic attitudes.

Honorable Congress: the political and economic integration of Latin America is a project that has been forgotten as many times as it has been proclaimed.

However, today no one can argue that any of our nations will achieve development and economic prosperity if it is surrounded by poor and exploited neighbors. We Argentines hope that Latin American integration ceases to be an unfulfilled goal. We believe that we have already undertaken specific steps to achieve this goal, because, in the end, it is joint action that will lead to integration and not mere words.

The Cartagena Consensus is an appropriate framework for solidarity work. The Contadora Group and the Contadora Support Group are other steps that have been taken along the same lines, as are our commercial agreements with Brazil und Uruguay.

In a short time we have achieved much progress. We have transformed what until today were mere words into tangible objectives. But we are still not satisfied. How could we be? We have only taken the first steps. We are struggling against 2 centuries of regional disagreements, commercial obstacles, and absurd competition. While other regions have given us intelligent examples and planned their political and commercial interests to establish solid fronts, we have continued to uphold the sordid provincial attitude of enclosing ourselves within our borders and of building walls to protect ourselves from our neighbors, which has kept us from achieving development. While others have opened their borders, we have looked at ourselves with mistrust. [applause]

The world today is divided into large regions in which economic development depends less and less on a specific country and more and more on the achievement of regional integration. The EEC is an example, and so is the United States, which has already become a region, as well as the USSR. This is so because in each of these regions there is a great market due, among other reasons, to their great populations.

The Latin American countries need to establish a system that will facilitate the integration of our potentials. We need to achieve such things as firm relations between the currencies of each country, free commercial trade, a package of shared juridical measures, and a common desire to establish a powerful region that will establish rules in keeping with its interests.

Without any hegemonic aspirations, without false competition, we have established conditions to achieve regional cooperation. We must now strengthen these conditions through new and more daring actions. One of them could very well be the redefinition of the representation and duties of the Latin American parliament.

It must be made up of legislators who are especially appointed by their congress to help support our goal of achieving solid political integration based on the regional development of education, health, economy, ecology, and the exploitation of human and geographic resources.

We must achieve development together, because this is the basis of our power. Some may argue that all this will lead us to share the poverty that characterizes our continent. Nothing could be more incorrect. We are trying to join our resourcefulness so that together we can show the world that united we will change history and will obtain fair prices for our resources, which have been sold at low prices for too long. [applause] [passage omitted]

Honorable Congress: Historically the struggle for a more equal distribution of wealth was closely linked to and simultaneously waged with the struggle for a more egalitarian distribution of the right to political participation.

The first workers organizations not only demanded salary improvements but also unrestricted access to education, culture, and knowledge. [passage omitted]

The increasing complexity of the process of production created the need to provide better education and training to all the members of society. Stronger than this need was the unstoppable drive of the egalitarian and democratic ideals at all levels of society. The people were determined to gain the right to the full exercise of their sovereignty. The most important currents of political thinking that emerged in the 18th century developed along lines that eventually emerged as antagonistic. Today, in the context of the new transformation of the technology of production and economic organization, which is yet more radical and far-reaching than any other previous transformation -- and which in my view amounts to a true mutation of our civilization -- the idea of democracy calls for a new reformulation, with more vigor. [passage omitted]

Democracy, far from being a crystal that has taken its final form, presents itself as the ongoing revolution of our times. Thus, it can serve as the channel for the aspirations of the people to increasing levels of freedom and equality. This is how democracy has given political shape to systems now ruling many countries of the world. Now, the challenges of the current times demand an expansion and renewal of these systems in order to meet the modern needs of the people. [passage omitted]

What we now need is to expand and multiply the levels at which the citizens can exercise their right to elect their representatives, so they can participate in all aspects of this new type of society. This move will respond to the real needs of a society in the process of transformation, regardless of the previous process through which it entered the modern era. Under the modern concepts of the relation between the state and society, it is recognized that decisionmaking should be distributed in a more complex and broad manner. The dictation of rules cannot be limited to the issuance of laws and resolutions by collegiate bodies, nor can the implementation of policies and measures be left up to a restricted number of officials. In their capacity as users, consumers, producers, workers, entrepreneurs, and technicians, citizens cannot remain alien to the decisionmaking that has a significant impact on the quality of their lives and on the functions, goals, and values of society. This participation must be understood as an in-depth expansion of the democratic system and its rules, not as a limitation of basic rights and guarantees granted by the system, including the right to the guarantee of private property. [passage omitted]

A participative society is not chaotic or anarchic. On the contrary, it is the only functional and organized society that is compatible with the preservation of the basic values that democracy has consecrated, and the only type of society that will not present the risk of ungovernability. A participative society is the only bridge between opposing state and private interests in the area of public affairs. [passage omitted]

We talk of a social pact because we are convinced that the urgent need for changes in the structure that the country demands will only endure on the basis of a wide consensus of the community to be involved in the country's affairs.

At this time of reconstruction and hope it is necessary that we reinvigorate the words with their real meaning. When we talk about a social pact in the context of a country willing to emerge from decadence and backwardness, we are referring to the desire of the people to overcome sectarianism, indifference, and conspiracies that do not dare come into the open.

We advocate a social pact as the free participation of interests and projects of various sectors in open negotiations aimed at achieving the well-being of the community. No one should relinquish his legitimate rights, but everyone should make a commitment to harmonize his rights with the rights of others in order to be effective and not harm society as whole. [passage omitted]

Therefore, the political accord that we want to reach is not merely a consequence of circumstances. It is an effort to guarantee that we will live in democracy and prosperity -- that is, that there will be a transformation. We know that thee are countless problems and difficulties, but our achievements in the present, which reflect our prospects for the future, are our compensation. We are once again true citizens; we have restored the dignity of our country and our own dignity as individuals. We know that we are helping to build the Argentina that we want for our children. We have recovered our hope and strengthened our spirit. We must renew our enthusiasm for this great task of construction and creation to which we have been summoned by the present and by our people. Thank you. [applause]

Addresses Workers on Labor Day

PY011835 Buenos Aires Argentina Televisora Color Network in Spanish 1601 GMT 1 May 87

[President Raul Alfonsin's message to the workers commemorating Labor Day; place not given -- recorded]

[Excerpt] Good morning. I will take just a few minutes of your time, because I have already been on television too much. Even though this is an abuse, I know that you will forgive me because I want to greet workers on 1 May, which is their day.

I want to warmly thank Argentine workers for their participation in the recent events in our country. I want to thank them for their participation and their commitment during Holy Week, when Argentine workers revealed their unyielding will to live in democracy. The entire population participated in the events, but the workers were there with their wives and children, showing that they want to build the Argentine future themselves.

I also want to thank workers for what they have done in other areas. I know that they are the sector that is experiencing the most difficult situation, the sector that has made the strongest efforts to curb inflation, to restore our growth, and to once again set in motion our economy. All this -- what we have been doing, the results that we have accomplished, the growth of our economy, and the fact that we are again on the right course are achievements to be credited to our common efforts. They should, however, be credited to the workers' will to reach a consensus and join the other sectors to consolidate the strengthen democracy, freedom, and social justice. [passage omitted]

AQUI: MILITARY COUP REPORTEDLY ABORTED 27 APR

PY040257 Madrid EFE in Spanish 1725 GMT 2 May 87

[Text] La Paz, 2 May (EFE) -- The Bolivian weekly AQUI today reported on its front page that a group of officers loyal to the Bolivian Government aborted a military rebellion on 27 April 1987 at the School of Higher National Studies.

These alleged events reported by the weekly have not been confirmed by the government, and this is the first report released on them.

AQUI states that a group of military officers and civilians "who support Garcia Meza" tried to disregard the authority of Edgar Claude, commander of the School of Higher National Studies.

The report says that the rebel group tried to seize the chief of staff's office, "in an attitude of open subversion within the military school."

General Luis Garcia Meza Tejada was president of Bolivia from 1980 to 1981 following the coup that ousted acting President Lidia Gueiler Tejada.

Garcia Meza is currently facing trial and awaiting sentence in a trial for malfeasance in office. Some of the charges brought against him include treason, genocide, and misappropriation of state funds.

The weekly adds that "the opportune intervention of Colonel Lanza (exiled during Garcia Meza's regime) prevented a coup."

According to the report, Colonels Moises Shiriqui and Oscar Escobar, civilians Luis Fernando Valle (minister of defense until last month), and Luis Fernando Perou, identified by the weekly as a "paramilitary" type, are among those who promoted the uprising.

The report released by the weekly does not explain the causes or the circumstances that led to the alleged uprising.

WORKERS DEMONSTRATE IN FRONT OF U.S. EMBASSY

PY021450 La Paz La Red Panamericana in Spanish 1130 GMT 2 May 87

[Text] Bolivian workers commemorated labor day by holding a march through the main streets of La Paz. Yesterday, 0800 a.m., Bolivian workers, members from different unions, political and social organizations, and neighborhood councils began gathering at San Francisco Plaza. Bolivian Labor Confederation [COB] national union leaders and COB-La Paz union leaders delivered speeches in which they condemned the government's rightist political and economic policies.

Later they marched through the streets of La Paz. As is usual in these rallies, some union leaders changed antigovernment slogans. However, in general the march was peaceful and police merely watched as workers marched by.

A major incident occurred in front of the U.S. Embassy building located on Colon Street. While marching by, the embassy workers increased their chants protesting U.S. imperialism and hurled stones at the police who were posted at the site. Police were forced to resort to the use of tear gas. Finally, the workers decided to move on, continuing their march, which ended by mid-morning, without any other major incidents.

The main speaker during yesterday's ceremonies was COB Leader Walter Delgadillo, who mentioned the Bolivian workers traditional participation in the different national liberation processes since 1952. Delgadillo also criticized the government's social and economic policies and the Bolivian Congress' approval of the joint U.S.-Bolivian maneuvers.

In this regard, the COB leader, who is also a member of the MIR-MASAS [Movement of the Revolutionary Left, Masas Faction] criticized the attitude of those MIR members who support the Paz Zamora faction which he said is conspiring with the MNR [Nationalist Revolutionary Movement]-ADN [Nationalist Democratic Action] alliance by allowing the BOL-USA military maneuvers to take place.

He said that these MIR members have betrayed the fatherland and the Bolivian people.

Walter Delgadillo also said that the Bolivian people must seek the implementation of their own popular and nationalistic political project.

COCA PLANTATION DEFENSE COMMITTEE FORMED

PY270322 Madrid EFE in Spanish 0801 GMT 24 Apr 87

[Text] Cochabamba, 24 Apr (EFE) -- A Regional Committee for the Defense of Coca Plantations [Comite Regional de Defensa de los Cultivos de Coca] was created today at a meeting of leaders of the various organizations of coca growers in the Cochabamba district, east of La Paz.

Nearly 600 delegates from peasant unions and federations of the tropical zones of Cochabamba agreed to form a committee to have the bill on controlled substances, which provides for a drastic reduction of coca plantations, modified.

According to spokesmen for the committee, the Regional Committee for the Defense of Coca Plantations will launch a department-wide and country-wide campaign to prevent the government from eliminating the coca plantations. They also said that members of this committee will seek contacts with the executive branch to have the latter's position regarding the coca plantations reviewed. Members of the committee will travel to La Paz in the next few days.

Should they receive no satisfactory answer from the government, the members of the regional committee noted that they will be forced to adopt pressure tactics, such as demonstrations and blockades, with the participation of 50,000 coca planters.

The government intends to declare the Chapare zone -- the tropical zone of Cochabamba -- as a nontraditional coca planting zone and, on suggestion from the United Stats, will order the reduction of coca plantations there without any economic compensation to the affected growers.

SARNEY ADDRESSES WORKERS ON LABOR DAY 1 MAY

PY022100 Rio de Janeiro Rede Globo Television in Portuguese 2330 GMT 1 May 87

[Address by President Jose Sarney to workers over a nationwide radio and television network on the occasion of Labor Day -- date and place not given; recorded]

[Excerpts] Brazilian workers, ladies and gentlemen: This is a message on Labor Day, a message from a citizen and from the president.

Today is not just a holiday. This is a day to commemorate the glorious struggle of the working class throughout the world to overcome exploitation, to establish honorable conditions in the relationship between capital and labor, and to prevent the weak from being subdued by the law of the strong. Fortunately, today there is an awareness throughout the world: It is impossible for a society to exist in which workers do not have the rights to wages, good employment, effective health guarantees, and organizations that freely champion their rights. [passage omitted]

Brazilians, when I assumed the government 2 years ago, I was faced with a tragedy, the death of President Tancredo Neves. I was faced with a divided nation full of violence. The political parties were divided into ideological factions and subfactions. There was a campaign against the Armed Forces. There were different factions making demands and clandestinely wielding arms. There were radical ideological factions. We have attempted to harmonize all those segments because the nation needed to begin a period of peace, a period during which the democratic process and civilian power would be strengthened. In 1985, we held mayoral elections in the country's capitals and in those counties described as national security counties. We legalized the clandestine political parties. We did not discriminate against anyone.

In 1986, we implemented the Cruzado Plan, which for 1 year made the Brazilian people happy. We held elections for deputies, governors, and senators. We now have established the National Constitutent Assembly, which is discussing the country's future. Complete liberty has prevailed during these 2 years. No one has been harassed. No one has been segregated. The government does not harbor any hatreds. The government advocates talks and reconciliation. To our credit we have had 2 years of peace in Brazil. We have not had even one act of insubordination or political violence, such as those that trouble countries around the world. There are no blood stains on the road to strengthening our democracy.

These were 2 years of peace during which I am certain that my efforts to pacify, unite, and listen played a role. This cost me a great deal. Virtues have become objects of criticism. I believe that the project of political engineering was necessary to strengthen democracy. The democratic transition once more requires patience and resolve. However, this responsibility is not mine alone. It is the responsibility of all Brazilians. In 1986 alone, I dealt with 2,282 strikes, involving 40 million workers, without any serious incident, without any violence. However, these data obviously show that no economy can coexist with that much instability in the labor sector.

Currently, our country is experiencing an increasing wave of demands, many of which cannot be met. I am calling upon all workers to unite to solve our problems. I am renewing my appeal, which I am not making for the first time today but which I made on the day I was inaugurated: an ever-present appeal for national union -- unity to establish an agreeement that will help to stabilize wages and prices, so we can do what can be done.

Let us sit down at the negotiating table. If we sit down at the negotiating table, we will return to the good days of the Cruzado Plan, which, even today, evokes great longing among the Brazilian people. We will again have stable prices and wages with purchasing power. We cannot continue to have an endless race of high inflation rates.

People have believed that the government can do much, but the government cannot do everything. The people and the government together can do everything. The solution to the Brazilian problems, which are serious and are present here, is the following: As Tiradentes [Minas Gerais hero who in the 1780's prepared to advance the cause of independence and republicanism] used to say: If each one of us wants, we will be a great nation, we will solve our problems. In order to achieve this goal, we merely need to make the decision to work together -- workers, businessmen, and the government. There is no better way to pay homage to Brazilian workers today than to tell them that our problems are the problems of a great nation, a nation with a great future, a nation that is growing, a nation that is maturing through the presence of the working class, which increasingly is becoming more important and is a great machine that is building our fatherland. My God help Brazil. Good evening, and thank you very much.

NEW FINANCE MINISTER BRESSER DISCUSSES ECONOMY

PY301853 Rio de Janeiro Rede Globo Television in Portuguese 1999 GMT 39 Apr 87

[Interview with new Finance Minister Luiz Carlos Bresser Pereira by unidentified reporter, live on the "Bom Dia, Brazil" program on Globo Television, 30 April]

[Text] [Reporter] I would like to begin by asking you why you believe that the economy should grow by 3 percent this year, not 7 percent as Minister Dilson Funaro projected?

[Bresser] I believe that Minister Dilson Funaro did not predict a 7 percent growth. At least, I heard from the president that he expected growth to be around 3 to 3.5 percent, which is perfectly acceptable. What Minister Funaro wanted and what I want, in line with the PMDB [Brazilian Democratic Mobilization Party] program, is that the rate of Brazil's growth stays close to the historical rate, which is between 6 and 7 percent. Since the rate of population growth is declining in Brazil, it is reasonable that the rate of economic growth to which we should aim, as an average for the coming years, could be about 6 to 6.5 percent. This is the objective. Now, why do I speak of 3 to 3.5 percent in 1987? Because we need to make adjustments. The Brazilian economy is very badly adjusted. We have a huge inflation rate, which is rising.

We are entering a recession, with an extremely unsatisfactory trade-balance surplus, reduced to one-fifth or one-sixth of what it was. This puts us in an highly untenable situation as far as our import needs are concerned.

What the moratorium on interest payments, if we do not get a trade surplus of $6.5 billion, we will be forced to declare a moratorium on the loan from official banks as well. This would be absurd, because the official banks are giving us money. If we did this we would lose the money which is coming from those official banks. Then we would not even be able to import the minimum essential goods for the country.

[Reporter] Minister, in your opinion, would that reduction in the rate of growth guarantee a reduction in the inflation and remove the threat of recession?

[Bresser] No. The reduction in the rate of growth will allow me to keep the lid on the very strong inflationary pressures. As can be seen, there is a rather bad disequilibrium within the Brazilian financial system. The states are in a difficult financial position, creating violent pressures. Public expenditure in general is too large, and it must be cut back. By cutting this expenditure we will have a lower rate of economic growth.

[Reporter] Is your main objective to cut public expenditure in order to slow down growth?

[Bresser] That is the main instrument. The objective is to brake inflation and to increase exports because when it is not possible to sell domestically, when the internal market begins to slow down, exporters will naturally push exports. Last year, exporters stopped exporting. This year, they began to export again, gradually, because the internal market has begun to decrease somewhat. The question posed now is somewhat paradoxical, because I am talking of the need for adjustment, for a 3 percent growth. To attain this I may have to squeeze the economy hard, or I may have to do the reverse. I have to take measures to keep the incipient recession from deepening, bearing in mind the cyclical nature of the system. I must take measures to hold back this recession.

[Reporter] You spoke yesterday and the day before of a small maxidevaluation, a phrase that you coined. Aren't you afraid of talking about devaluating the Cruzado and thus, increasing the price of the dollar in the parallel market -- as it did already yesterday?

[Bresser] Look, I gave an interview some days ago before I became minister and said that perhaps it would be necessary to make a small maxidevaluation -- not really a maxi, but just small -- just a small adjustment of the rate of exchange. I am looking into this now. The information I now have is that there is a considerable increase in exports this month, and that foreign-exchange operations have increased by more than 50 percent in real terms, on day-to-day accountings. So, perhaps, not even that small devaluation, which I thought likely, will be made.

[Reporter] Minister, exporters are speaking of a devaluation of at least 30 percent. Could it be that much?

[Bresser] They can talk of 30, 25, 40, 50, whatever they want, but this is nonsense. This is a big folly that will never happen.

[Reporter] How will prices be controlled?

[Bresser] We will continue to control prices as it is being done now through the CIP [Interministerial Price Commission], which monitors prices. With a rather high inflation of 14 or 15 percent, perhaps even higher this month, the CIP must monitor prices in order to prevent abuses and to guarantee enterprises that their cost increases may be added to their prices. The ideal situation would be for adjustments to be made as frequently as possible.

For instance, if a price is increased every 3 months, an average can be calculated and the prices can be raised every month. This would be more convenient.

[Reporter] You have inherited an inflation rate of 17 percent. Are you thinking of freezing everything again?

[Bresser] Look, this is not possible at this time, not only because relative prives are still out of alignment, but also because the economy has a serious foreign exchange problem. So I cannot make a maxidevaluation under a serious foreign exchange plan. Even more seriously, the economy has the problem of a very high public deficit, and is, thus, being influenced by inflationary pressure. Brazilian inflation obviously has an inertial component, because an inflation of 15 percent per month can't result from demand alone, although there is an important demand component in that inflation. As long as I cannot macroeconomically bring the economy back into equilibrium, I cannot think of applying a new shock treatment.

[Reporter] Regarding salaries, will the escalator clause be maintained, or do you have a new formula for readjustment?

[Bresser] No. The escalator clause will remain. It is a good formula for indexing salaries. It guarantees the purchasing power of workers. The workers can lose when inflation accelerates too much. This happened initially, but now that inflation is at this level of 14 percent -- I hope -- the workers do not lose anything; they are very well protected. The escalator clause does not exert an inflationary pressure. It merely maintains the level of inflation, which is what an indexation system is meant to do.

[Reporter] You said that this is not the time to apply a shock treatment. You are not a heterodox [defender of price and salary freeze to stabilize the economy], right? But, do you believe that the heterodox shock that was applied about a year ago can again be applied at a future time?

[Bresser] I am a heterodox. I wrote an article in 1982-1983 on factors that maintain, accelerate, and [word indistinct] inflation, and then another in 1984 on administrative control of inflation in which I specifically proposed to solve the problem of inflation at that time, an heroic solution -- the heterodox shock which Chico [economist Francisco Lopes] invented later -- consisting of salary, price, and exchange-rate freeze.

[Repoter] Then we can expect something like that in the future?

[Bresser] When the conditions are appropriate, yes. Because it is impossible to end this inflation by means of recessionary fiscal and monetary mesures -- of a monetarist type, it does not matter what we call them. The fact is that merely tightening the belt won't help. The austerity measures that are now necessary should be directed at stabilizing inflation and correcting the balance of payments. But to end hyperinflation we need other measures.

[Reporter] Mr Minister, the small and medium businessmen are vociferously complaining about the high interest rates. Do you have a plan to lower these rates or will they continue at the same level?

[Bresser] I believe that we have to be more realistic in this regard. The interest rates today are no higher than they were last year, in real terms. They are now high in nominal terms, which means that if the inflation is 15 percent per month, the interest rate must be a little higher. If you have a savings account when inflation stands at 15 percent and your savings account yields 10 percent, what will you do with your money?

You quickly withdraw it from the bank. Then what do you do? Either you go shopping or create an excess of demand, buying a car, a refrigerator, or you do something else. Since we are good investors, you probably will go and buy real estate property or dollars. What happens then? When the money goes into real estate and dollars you have a tremendous flight of capital from the economy, terrible speculation, a situation of interest rates below the rate of inflation -- this is absolutely unviable. This is total disorder, a total irrationality within the economy. We do not want to do this. Now we will try to have a real interest rate as low as possible.

[Reporter] In the case of subsidies, the government has always shown indecision on whether to remove or to maintain them. What will you do with subsidies?

[Bresser] This is a serious problem. I do not yet have a firm position about a solution to this problem. Fundamentally, the subsidies on sugar and wheat take up a lot of money. Cutting them abruptly would be a very violent measure, and I do not yet have a firm position.

[Reporter] The refundable tax imposed on gasoline since June last year and on car sales since later last year -- will it be maintained?

[Bresser] The refundable tax will remain; there is no intention of canceling it. The state needs the resources provided by the refundable tax to meet its minimal expenditures. Internal revenues have been reduced extremely these past years, and these funds have helped to make it possible to barely balance the budget.

[Reporter] One of the parents of the Cruzado Plan, the economist Andre Lara Resende, is saying that the country is entering into one of the worse economic crises in history. Do you believe this?

[Bresser] We are in a difficult crisis. But I believe that Andre is going through a period of pessimism and he is exaggerating. He is a very good friend of mine and a great economist, by the way. I believe that we have difficulties, but we can confront them with firmness and overcome them.

[Reporter] Mr Minister, thank you very much for your first interview granted to "Bom Dia, Brazil." We hope that there will be other interviews in the future as you gain full command of the monstrous vehicle in which you will be taking the driver's seat, as Minister Funaro and other ministers did before. We wish you good luck as you begin your administration.

[Bresser] Thank you very much. I indeed expect to have good luck.

LABOR LEADER CALLS FOR STRENGTH AGAINST PINOCHET

PY020134 Paris AFP in Spanish 2118 GMT 1 May 87

[Text] Santiago, 1 May (AFP) -- Chilean labor union leader Rodolfo Sequel today urged all Chilean workers to carry out a relentless struggle against General Augusto Pinochet's military govenment with the goal of reinstating democracy, freedom, and justice in Chile.

Seguel was the only speaker during the ceremony held at the Cariola Theater in downtown Santiago. The meeting was called by the opposition National Workers Command (CNT), and led to street incidents and dozens of arrests. In the crowded theater Seguel stated that the workers are struggling for democracy because they believe it is the only system of government where there can be a powerful labor movement capable of effectively defending the workers' basic rights.

The leader of the CNT, which claims to represent approximately 600,000 workers, added that we are not prepared to allow any future democratic government to maintain the labor laws passed during the military regime, as has been the case in other Latin American countries. We are not prepared, he said, to let any future democratic government continue the inhuman exploitation that we have had to endure because that would simply mean an extension of the current government.

Seguel said that there will be no valid reasons for not satisfying the basic demands of those who are not having to endure hunger and misery. He went on to say that we, the workers, have been the ones who have carried most of the burden of the foreign debt without receiving any benefits, and he made it very clear that this would not be allowed in any future democratic government.

Seguel emphasized that foreign debt payments cannot prevent the urgent and basic needs of the popular sectors from being satisfied. The people come first, then the debt, he said. Further on the labor leader stated: We see with displeasure and concern that certain sectors are more interested in extending guarantees for the businessmen than in acknowledging the legitimate demands that the workers have been voicing. He went on to criticize the fact that there are certain sectors more concerned with protecting those responsible for crimes than with supporting instruments capable of making truth and justice prevail.

Seguel warned that unless those guilty of the tragedy we are living through are duly punished, it will be impossible to lay the foundations for a stable and lasting democracy.

Seguel urged all social organizations and political parties to set up joint commissions to draw up a proposal that will express the concrete demands of all Chileans. We urge all labor organizations to participate in the process aimed at organizing a united, democratic, and pluralistic confederation, Seguel said. Meanwhile, another ceremony honoring the workers of the country was being held at the headquarters of the National Association of Public Employees.

11 PEOPLE ARRESTED IN ANTIGOVERNMENT RALLY

PY020059 Madrid EFE in Spanish 2334 GMT 1 May 87

[Text] Santiago, 1 May (EFE) -- At least 11 people were arrested today in Santiago during the antigovernment demonstrations that took place outside the theater where opposition union leaders commemorated Labor Day.

According to sources of the Chilean Human Rights Commission, 11 people were arrested by the Carabineros near the Cariola Theater, where the opposition union leaders had gathered. A Human Rights Commission laywer told EFE that seven of the arrested individuals are men and four are women.

Opposition union leaders, headed by Rodolfo Seguel, commemorated Labor Day in Santiago, while the military government commemorated this festivity with a massive gathering in Valdivia, 800 km south of this capital.

ATTACKS AGAINST ELECTRICITY GRIDS CAUSE BLACKOUTS

PY011637 Paris AFP in Spanish 0407 GMT 1 May 87

[Text] Concepcion, Chile, 30 Apr (AFP) -- A general blackout occurred tonight in the Chilean cities of Concepcion, Penco, Talcahuano, and Chiguayante, located in the central southern part of the country. The blackout was caused by attacks against the electricity grids.

Carabineros have reported that the blackout that occurred in that agricultural and industrial zone, 520 km from Santiago, was caused by unknown persons, who threw chains over the power lines. The attack occurred on the eve of Labor Day and 24 hours after the violent explosion that killed a person in the Sao Jaoquin neighborhood, in the southern sector of the Chilean capital. Another two bombs caused damage to a bank and the Carabineros Historical Museum.

So far, no clandestine organization has claimed responsibility for the bomb attacks, which occurred as Chilean labor unions are preparing to commemorate Labor Day, but without any street demonstrations, which some labor leaders initially wanted.

In Santiago, police sources have indicated that several partial blackouts in the poor neighborhoods of San Bernardo, Puente Alto, Conchali, and other zones were caused by lightning.

LEFT-WING PARTIES SEEK TO DEFINE STRUGGLE

PY241402 Madrid EFE in Spanish 2144 GMT 23 Apr 87

[Text] Santiago, 23 Apr (EFE) -- The Chilean Popular Democratic Movement (MDP), a coalition of Marxist left-wing parties, has called on all opponents of the military regime "to define the methods of struggle," reiterating its opposition to the recently promulgated political parties law.

During a press conference in Santiago, leaders of the coalition, made up of communists, "orthodox" socialists, and members of the Movement of the Revolutionary Left (MIR), stated that the regime of General Pinochet is seeking, behind a "cover" of legality, to attract the center-right parties.

According to the MDP leaders, there exists " a great possibility for the opposition to reject the law on political parties and to foil the dictatorship's plans." The leaders of the Marxist left-wing parties also seek "to strengthen the popular and united social mobilization as a way to achieve democracy."

According to the current political constitution, the MDP and all those parties with doctrines "advocating a class struggle" are banned in Chile.

PRESIDENT BARCO MAKES LABOR DAY SPEECH

PA031507 Bogota Inravision Television Cadena 1 in Spanish 0055 GMT 2 May 87

[Text] Fellow countrymen, on behalf of the national government I greet all rural and urban workers, labor union leaders, labor organizations, and all those who personally contribute daily to the production of goods or services and consequently to the country's social and economic progress.

1 May is the day universally dedicated to acknowledgment of the importance of work. This day is suitable to once again point out the strict respect the government has for public freedom and the social guarantees recognized by our Constitution and the liberal ideology.

The government is attentive to protecting the achievements workers have obtained through their organized actions. Those achievements are indisputable proof that the institutional mechanisms have been efficient in the settling of labor conflicts, thus providing benefits for the working class.

The only limitation to this is when it comes to protecting other citizens. Thus, it is suitable to reiterate that the government does not agree that people not involved in these conflicts are affected or that through sabotage and intimidation some sectors of the population not connected with the problem are forcibly involved in it. Stoppages of public services, occupations of public or private buildings and other forms of disproportionate and unlawful protests that disturb the harmony of community life will not be tolerated.

The government's social economic policy is aimed at providing -- as we have done already -- a better life for workers and the creation of more jobs in order to diminish the country's social conflict.

Recent figures show a positive increase in the number of employed people and a lower unemployment rate than that registered around the same time last year. This represents larger incomes for a large number of families. The government is thus consolidating the change toward a social economy that includes the creation of remunerated jobs as the first goal of production. This has been understood by many businessmen who, trusting the new economic climate, are expanding their enterprises and creating new ones.

Labor day is a good time to announce that in the development of the government's social policy and in the search for better standards of living, the government has issued a decree that brings the list of occupational illnesses covered under social security up to date. For a very long time that list had remained behind the advances made in labor medicine and occupational health.

Similarly, we have created another decree modifying the rules regarding work-related accidents in order to increase protection for workers, who are the basic pillars of society.

As of today, the Social Security Institute will serve working minors, even if their employers have not included them in the social security system, because that sector of the population deserves special attention from the government. Therefore, we decided to give them adequate protection within the social security system.

The programs of political, social, institutional, and economic changes are directed to favor the needy and the most unprotected sectors. The solidarity of those who have jobs and enjoy economic or social benefits should be expressed in support for the government's actions that intend to extend those benefits to all the sectors of society.

The National Labor Council [Consejo Nacional del Trabajo] established by the law as an organization for labor coordination will soon be called by the government to present the National Congress with the legal, essential initiatives to create more jobs, to increase protection for the workers' income and benefits, as well as to bring the labor code up to date.

The success of that action and of the political agreement reached in regard to those issues will largely determine the essential improvement in standards of living the government has presented as the great goal of its actions for the benefit of all Colombians. Good night and we will see you soon.

EXTRADITION OF TWO DRUG DE[illegible]ERS CLEARED

PA021951 Bogota EL TIEMPO in Spanish 29 Apr 87 p 1

[Text] The government authorized yesterday, 28 April, the extradition to the United States of two Colombian citizens charged with drug trafficking.

The two requests had been approved by the Supreme Court of Justice.

Oscar Salazar Grajales yesterday was sent to the United States under strict security.

Salazar Grajales had appealed the decision which on 17 February had authorized his extradition. The Justice Ministry denied the appeal under Resolution No 63.

The alleged drug traffickers was notified of the decision at the La Picota jail where he was an inmate. He was shipped off to the United States shortly thereafter.

The other extradition authorization is for Armando Marulanda Jaramillo.

BRIEFS

POLICE CONFISCATE COCAINE BASE -- Manizales, 25 Apr -- Police have confiscated a cargo of 27 kg of cocaine base in the outskirts of Riosucio (Caldas). Alberto Bernal Castaneda, 38, and his Yolanda Maria Ordonez de Bernal were captured during the operation. The alkaloid was being taken from Bogato to Medellin in a 1977 white Dodge Dart with license plate number LF-1357. [Text] [Bogota EL TIEMPO in Spanish 29 Apr 87 p 12 PA]

FEBRES CORDERO SAYS ECONOMIC MEASURES TO CONTINUE

PA012355 Quito Radio Quito in Spanish 2300 GMT 30 Apr 87

[Text] President Leon Febres Cordero said the economic measures implemented on 11 August will continue to be enforced in Ecuador. Febres Cordero attended the ceremony held at the National Palace where a contract was signed between the ELF Petrobras consortium and EIPF [expansion unknown] of Argentina to drill for oil in Napo Province with the Ecuadoran State Petroleum Corporation.

Febres Cordero stated the dollar's exchange rate will continue to be established according to the laws of supply and demand, and he added that interest rates will be negotiated on a separate basis. He also said that the contract signed with oil companies of France, Brazil, and Argentina will represent approximately $40 million in new resources during the drilling phase.

[Begin Febres Cordero recording, in progess]...which can only be countered with a firm attitude and optimism and with the strength of the truth. This strength of the truth prompted the economic measures enforced on 11 August 1986 and will continue to be enforced in Ecuador, because this is convenient for the citizenry's fundamental interests. Furthermore, these measures have allowed us to counter an overwhelming crisis with the least social sacrifices possible. This is proved by the situation that has prevailed during the last 8 and 1/2 months. Thanks to these measures, we have safeguarded the jobs of thousands upon thousands of Ecuadoreans, and the production sector's activities have been carried out normally. [end recording]

300,000 MARCHERS DEMONSTRATE AGAINST GOVERNMENT

PA020430 Quito Radio Quito in Spanish 2300 GMT 1 May 87

[Text] More than 300,000 workers, peasants, students, and people in general today marched peacefully in the city of Guayaquil. There were no incidents as the workers shouted slogans against the regime. The labor class of this most important port of Ecuador gathered at [words indistinct] where the march began.

CUT [Sole Central Organization of Workers] president [name indistinct] condemned the attitude of Guayaquil Province Governor (Jaime Nodo), who did not permit the march to pass through the El Malecon neighborhood, as has been done traditionally.

[Begin unidentified speaker recording] [passage indistinct] The first demand we make is that the National Congress convoke a special session to try President Febres Cordero politically. [words indistinct]

CUT's struggle platform includes a salary increase, a political trial, and [word indistinct] of the energy and mines minister.

The workers have organized this march responsibly, and it represents a rejection of the economic policy of Febres Cordero. [end recording]

GOVERNMENT SEEKS REPEAL OF PENAL CODES

PY251304 Asuncion ULTIMA HORA in Spanish 22 Apr 87 p 11

[All quotation marks as published]

[Text] The Executive Branch has sent to Congress a Justice and Labor Ministry proposal to repeal laws No 209 and 294 called "Draft bill that amends and updates provisions of the Penal Code." The bill will be submitted to the Chamber of Deputies tomorrow.

The preamble states "over the last decades, different types of crimes, which were unknown or not defined as such before, have appeared."

Some highly political articles -- out of a total of 452 in the bill -- include various definitions of crimes to be included in the Penal Code.

Article 146 deals with "rebellion or insurrection." According to the bill, this crime is committed by those who rise in arms for any of the following purposes: "to overthrow the established government; to prevent the state branches, or a single branch, from freely exercising their duties; to repeal or reform the Constitution and present institutions by violent or illegal means; to force a department, district or population to disobey the authority of the government; to unlawfully assume authority." Those guilty of these crimes will be punished with 5 to 10 years in prison, lose their political rights, and may not hold public office for 5 years after serving their prison term.

Article 147 deals with "sedition." This crime is committed by those who, without recognizing the authority of the established government, publicly revolt, whether or not they use weapons, to depose a public official, or to prevent legally designated or elected officials from assuming their posts; those who use violent or illegal means to petition the authority claiming to represent the people, or those who carry out acts of government in their own name; those who act to prevent the enactment or execution of a law, or the holding of elections in one or more districts in the Republic; those who exert pressure on judges, as individuals or part of a group, to force them to rule or make a decision in violation of the due process of law," among other things.

Article 148 addressed "mutiny." This crime is committed by "those who without rising against the government or disavowing local authorities, meet and resort to violence, threats, insults and shouts, to demand the dismissal of a public official, the release of a prisoner, the punishment of a criminal, the permission to visit someone who is at the disposal of the courts, or similar action.

Action 149 addresses "commotions." This crime is committed by "those who provoke disorders in the streets or public places, in penitentiaries, or detention centers; those who signal or shout alarmingly; those who set off bombs or explosive devices; those who wield arms to instill fear in the public, or wardens claiming a real or alleged threat of a serious and common danger."

Article 150 deals with "disturbing the peace." This crime is committed by "those who meet in groups of no less than four people to disturb the population for an illegal purpose, not mentioned in the preceding list; to disturb a public meeting or a patriotic civic celebration by shouting, insulting or threatening those present; or to demand something from the people, either justly or unjustly."

Those guilty of "mutiny, tumult, or disturbing the peace will be punished with prison terms ranging from 1 month to 3 years. If people, goods, or premises are harmed or damaged the punishment will be doubled."

Article 158 states that the crime of "attacking the legal authorities is committed by those, who, without resorting to a public uprising, attack the legal representatives or agents of said authorities or employ force against them, while in the line of duty or for having done their duty."

Article 159 adds "if the attempt is committed using arms of any kind, or by slanderous publications in the press, the guilty party will be punished with 2 to 4 years in prison. If the crime is committed without arms, the punishment will be from 1 to 3 years imprisonment. If the crime is committed against members of the Armed Forces or police, the punishment will be doubled."

COLORADO LEADER FAVORS NANDUTI'S REOPENING

PY012225 Asuncion HOY in Spanish 1 May 87 p 9

[Text] In reply to an HOY reporter's question during a debate that took place on Radio Nanduti's premises, Deputy Martin Chiola, leader of the Colorado Party bloc in the Chamber of Deputies and a member of the Colorado Party Executive Board, categorically replied: "I favor the reopening of Radio Nanduti. I absolutely disagree with the attitude adopted against this radio station, and I have publicly said so in the past."

It must be recalled that Radio Nanduti was forced to suspend its broadcasts cue to the constant interference it was experiencing. Afterward, when Radio Nanduti was supposed to return to the air, it was forbidden to do so by a technicality in the ANTELCO [National Administration of Telecommunications] regulations. Nanduti owner Humberto Rubin considers the measure "illegal and arbitrary."

The Colorado congressman also was asked why Rubin's passport was confiscated by the police at President Stroessner International Airport when he was preparing to travel to Madrid. His passport has been held by the Interior Ministry for the past 2 months.

Chiola's answer was: "The government has the authority to adopt such measures if they are justified." However, when asked why this measure was adopted in this specific case, he said: "I do not know the government's reason."

Explaining the law, Chila said: "The government has the authority to expel foreign citizens and to forbid them from leaving the country, if it is justified." However, Chilla said he does not know why Rubin was not allowed to leave the country.

BRIEFS

GOVERNMENT DELEGATES RESHUFFLED -- Interior Minister Dr Sabino Augusto Montanaro has officially reported the shuffling of government delegates. Juan R. Rivas Fleitas has been appointed government delegate to Alto Paraguay Department, replacing engineer Luis Anibal Schupp, who will move to San Pedro Department. Schupp will replace Dr Andres Julio Gutierrez, who will move to Boqueron Department replacing Juan Jose Benitez Rickmann. Jose Martini Oddone, has been appointed government delegate to Neembucu Department, replacing Dr Cesar Benitez Bogado, who will move to Paraguari Department. [Excerpts] [Asuncion ULTIMA HORA in Spanish 28 Apr 87 PY]

SHINING PATH, SPAIN'S PCE SIGN AGREEMENT

PA031349 Paris AFP in Spanish 1250 GMT 3 May 87

[By Hugo Levano]

[Text] Lima, 3 May (AFP) -- A document sent to the media today states that the Communist Party of Peru, (Shining Path) and the Spanish Communist Party [PCE] (also Maoist) have signed a mutual support pact. [sentence as received]

The text of the document, dated 1 May 1987 but not specifying a location, states that the two parties "officially agree" to establish fraternal relations with the certainty that "by helping each other as comrades-in-arms, we will be united in serving other fraternal and similar parties to ensure that communism will shine on earth for the benefit of all of humanity." The two organizations commit themselves to "carry on, defend, and practice Marxism-Leninism-Maoism, mainly Maoism."

Shining Path states that it will support the PCE to help it become "the organized vanguard" of the Spanish proletariat, "leading it to the achievement of power." Meanwhile, the PCE states that "it supports the popular war being successfully headed by" Shining Path. Finally, the two parties state "they are struggling for the future establishment of a Communist International based on Marxism-Leninism-Maoism, mainly on Maoism."

The announcement of this pact, reached in what they call "a first meeting" between the leaders of the two organizations, surprised observers here who pointed to the relative isolation of the Shining Path in national politics and the international community.

We must point out that in the document the Shining Path does not mention the "guiding thoughts of Comrade Gonzalo," pseudonym for Abimael Guzman, who is referred to in their propaganda as the fifth sword of communism after Engels, Marx, Lenin, and Mao.

On 1 May 1985, the Shining Path members announced they would join the internationalist revolutionary movement and adopt the program of "Marxism-Leninism-Mao Zedong Thought." It is known that the Shining Path has support organizations in Sweden, Paris, New York, and other U.S. cities where it sells propaganda items to collect funds.

Domestically, the party created by university professor Abimael Guzman in the 1960's, stubbornly remains distant from all other political parties and the country's communist movements following its break with the Peruvian Maoist movements.

Nevertheless, when the armed struggle began in 1980, the Shining Path received the support of the Proletarian-Communist Revolutionary Vanguard (VPRC) of Julio Cesar Mezzich, who had a following in the Andean Department of Apurimac, adjacent to the Shining Path bastion of Ayacucho. Mezzich has become Guzman's righthand man since then.

Subsequently, in 1984, the Pukallacta group ('red soil' in Quechua) of the Tingo Maria area, in the Amazon jungle northeast of Lima, formed an alliance with the Shining Path to establish a guerrilla stronghold in that region, which is also a drug trafficking center. These Pukallacta elements are apparently collaborating with the Shining Path in Puno and certain provinces of La Libertad, in the country's southeast and north.

However, these were small groups which apparently contributed only a few dozen militants to the Maoist subversion movement.

PRESIDENT GARCIA TO STOP OIL, FISHMEAL EXPORTS

PY040351 Madrid EFE in Spanish 0253 GMT 4 May 87

[Text] Lima, 3 May (EFE) -- Peruvian President Alan Garcia today stated he will suspend exports of petroleum and fishmeal to protect their prices from speculative fluctuations. The Peruvian Government adopted a similar decision on silver exports. The prohibition on silver sales abroad was decreed on 21 April 1987.

"In the same manner in which the foreign debt will not be paid until Peru is allowed to grow, we will also adopt all necessary measures to achieve better prices for our work, to prevent our silver, fishmeal, and petroleum from being sold for unjust prices that will cause hunger for our people," Alan Garcia stated.

Alan Garcia made this statement -- released by the state press agency ANDINA -- during speeches delivered to inhabitants of three heavily populated Lima districts where the president today dedicated several projects carried out by his administration.

The Peruvian president stressed he will continue "to strengthen the Peruvian nation and its future before the great powers." He said "we will continue to confirm that we have the right to let our voice be heard, and that even though we are poor we have the right to be economically independent and we have the ability to act at the international level."

He explained the decision to suspend silver sales has elicited a reaction and "increased demand for silver with respect to the dollar, as well as a higher price." He added that the measures being adopted will cause prices to increase and will, little by little, help us command respect.

Alan Garcia said Peru will remain on its nationalistic course and that the Central Reserve Bank has enough dollars to allow the country to grow, "instead of transferring them to the international banking system."

FOREIGN MINISTER DISCUSSES REGIONAL SUMMIT PROSPECTS

PA281953 Caracas EL NACIONAL in Spanish 20 Apr 87 p D-2

[Report on interview with Foreign Minister Simon Alberto Consalvi by Hector Landaeta, at the foreign minister's home in Caracas; date not given]

[Excerpt] Venezuelan Foreign Minister Simon Alberto Consalvi, who returned from Buenos Aires yesterday, has said Venezuela is interested in a meeting between the Andean presidents and U.S. President Ronald Reagan. That meeting is scheduled to take place in Caracas at an as yet undetermined date.

This reporter interviewed Consalvi in his home, where he agreed to discuss Venezuela's official position on the presidential summit in Caracas. International news agencies have released conflicting reports on this.

Consalvi said the idea of holding a meeting of the Andean presidents; that is, the presidents of Peru, Ecuador, Bolivia, Colombia, and Venezuela, was conceived by the Bolivian president during a conversation he had with the U.S. President. The meeting's fundamental purpose will be to discuss the region's drug trafficking problem and adequate ways to resolve it. The two presidents agreed that Venezuela is a good place for the meeting. We were notified of this, and Venezuela expressed interest, because we believe it is an interesting idea. However, we said the meeting must be preceded by various preparatory tasks.

The foreign minister stopped his explanation to point out that information had already been published by EL NACIONAL "approximately 3 weeks ago, and also appeared in a cable which, in his opinion, was misinterpreted. [no end quotation mark as published]

We interrupted him.

[Reporter] Mr Foreign Minister, reports said Venezuela advised the U.S. Government that it is not a good idea to hold a presidential summit in Caracas because of the country's political situation.

[Consalvi] That is not true. Those were fabrications. We attribute great importance to this meeting. Through consultations between the presidents of the group [not further identified] and President Reagan, we have been trying to agree on a good time for the summit.

[Reporter] We insist, sir, because reports have been published on the political and electoral situation and its implications, which would make Venezuela an unsuitable site for that meeting.

[Consalvi] That is not true. It is absolutely false. The political situation is propitious for the meeting to take place in Venezuela at any time.

[Reporter] Is Venezuela therefore interested in this meeting?

[Consalvi] It will be a great opportunity for Venezuela and the Andean countries. This will be a very interesting summit. Venezuelan Congress President Reinaldo Leandro Mora has also said this meeting is very important.

Consalvi made it clear to this reporter that the Caracas meeting will be very interesting. Venezuela and the other countries are holding the necessary consultations to determine the best date for the meeting. Consalvi also denied reports of a warning the Venezuelan Government allegedly made to Washington regarding the inconvenience of holding the meeting in Venezuela. [passage omitted]

30 INJURED IN CLASH AT CARACAS UNIVERSITY

PA011320 Buenos Aires REUTER in Spanish 0620 GMT 1 May 87

[Text] Caracas, 1 May (REUTER) -- Thirty people, including 5 policemen, were injured yesterday during a clash between students and policemen at the Central University of Venezuela (UCV) during disturbances the government blamed on professional leftist agitators.

A communique issued last night by the government of President Jaime Lusinchi reported the students attacked the police with guns, homemade mortars, and Molotov cocktails, and the police used tear gas and shotguns to disperse the mob at the UCV campus in Caracas.

The disturbances began after the students seized 17 buses and 2 trucks to protest a planned increase in bus fares.

Interior Minister Jose Angel Ciliberto, who read the communique to journalists, said there were no arrests during the incidents. He also denied that police had been ordered to violate the university's traditional autonomy by entering the campus.

However, UCV Rector Edmundo Chrinos "categorically" condemned the police action, stating they entered the university to attack the students. "This was an unprecedented and incomprehensible brutality," Chirinos said.

The incidents formed part of a number of protests in Caracas and other parts of the country as a result of the increase in bus fares which the government said will not apply to students.

Lusinchi's government attributed the protests to "professional agitators, including political activists of the extreme left," who are trying to revive the guerrilla violence that shook Venezuela in the sixties.

According to the communique, the police intervened to protect firemen called to the university after the students set fire to one of the trucks they had seized.

The communique added that at the time, the policemen were attacked from inside the university with pistols, Molotov cocktails, and other homemade explosives. The student leaders denied the charges and promised they will stage new protests.

"With this repressive action, the government wants to silence the people's protests against the bus fare increase and against the policy of price increases, but it will not be successful," said Bernardo Ancidey, president of the Federation of University Centers.

The incidents took place on the eve of 1 May, International Workers Day, when the trade unions traditionally hold rallies and march through the center of the city.

They also follow 4 days of violent protests in March in the western Venezuelan city of Merida. Those protests were triggered by the shooting death of a student.

Interior Minister Ciliberto said no special police operation is planned for today's march. However, the official communique warned that "the government has every means, and is willing to use them, to safeguard our democratic way of life and legal system."

POLICE DIRECTORS ON DRUG TRAFFICKING PROBLEM

PA232006 Caracas Television Service in Spanish 1600 GMT 23 Apr 87

[Report on statements by Pedro Arturo Torres Agudo, director of the Judicial Technical Police (PTJ); Porfirio Rodriguez, director of the Directorate of Intelligence and Prevention Service (DISIP); and General Marco A. Pacheco Melgarejo, commander general of the Metropolitan Police; date and place not given -- recorded]

[Text] New mechanisms to continue the struggle against drug trafficking were finalized during a meeting of police directors.

The action of the specialized agencies in the struggle against drug trafficking during the past few months can be described as positive. However, relationships among the powerful drug dealers must be detected, and that is a great challenge our police are determined to meet.

The three police directors agreed that confiscations have increased through analysis and investigation, which have led to the detection of procedures used by the leading drug traffickers whose objective is to send their product to the United States and Europe. They also concluded that the major problem is not being a bridge for drug trafficking but a drug-consuming country.

However, the preventive work carried out by the PTJ, DISIP, Metropolitan Police and National Guard is increasingly effective. The secret lies in joint action.

[Begin recording] [Torres Agudo -- in progress] .... police, that more than ever before are united against this scourge. We are firmly committed to fighting it in all its forms.

[Rodriguez] Today we are working more closely with the police on investigating the drug problems. There is another fundamental aspect: It has been detected that drug traffickers are seeking European markets. This has been discovered through the joint operations carried out by the various police corps.

[Gen Pacheco Melgarejo] Regarding the drug problem, we are deeply concerned about minors. In this respect, we are working along two lines: One is creating awareness to prevent drug consumption, and the other is working directly with the pertinent institutions to eliminate, correct, and modify this type of behavior. [end recording]

DE LA MADRID LEADS 1 MAY WORKERS' MARCH

PA030312 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 1 May 87

[Excerpts] This morning, 1.5 million workers comprising the Labor Congress participated in the 1 May parade. No incidents were reported during the march. It was marked by workers' demands to restore their purchasing power.

[Begin reporter Humberto Mares Navarro recording] The workers parade to commemorate international labor day was held this morning. The president of the Republic led the workers' march. He arrived at the Plaza of the Constitution at 1000 and, following the rendering of honors to his high office, the president raised the flag in the Plaza of the Constitution.

President de la Madrid began the workers' march at 5 de Mayo Street and Plaza of the Revolution, accompanied by Labor Congress President Francisco Hernandez Juarez, CTM [Confederation of Mexican Workers] leader Fidel Velasquez, Labor Congress representatives, and members of the judicial and leislative branches. Approximately 1.5 million workers comprising the Labor congress participated in this important labor event to commemorate the Chicago, Rio Blanco, and Cananea martyrs' death. [passage omitted]

The workers' signs reasserted to the president their unity, solidarity, willingness to work, and decision to safeguard the nation's interests. The workers freely stated all their demands. The main demands were to improve their purchasing power, effective control of prices, and fines to punish greedy merchants. A large sign set up in front of the National Palace requested, on behalf of the CTM, prison sentences for those who are responsible for the people's hunger. The CTM delegation was the largest one, and within it, the oil workers' group had the largest representation. The report on the 21st workers march organized by the Labor Congress includes no incidents. [end recording]

SEPULVEDA COMMENTS ON SIMPSON-RODINO LAW

PA011631 Mexico City Red Nacional 13 Imevision Television in Spanish 0300 GMT 30 Apr 87

[Text] Mexican Foreign Secretary Bernardo Sepulveda left for the Soviet Union today. Before leaving, he referred to the forthcoming implementation of the U.S. immigration law known as the Simpson-Rodino law.

[Begin recording] [Reporter Francisco de la Sota] Foreign Secretary Bernardo Sepulveda said it is still difficult to determine the way in which the new U.S. immigration law will be applied. However, he clarified that instructions have been issued to the consulates to extend their protection to the Mexicans and to support them in obtaining the documents needed to legalize their residence in the United States.

[Sepulveda] The Mexican Government has adopted the necessary measures to guarantee respect for the social, human, and labor rights of our compatriots in the United States.

[De la Sota] The foreign secretary said there were several consultations with the Mexican Government regarding the nature and scope of the new immigration law. He admitted that U.S. authorities are trying to limit the harmful effects this law might have for Mexico.

Regarding his trip to the Soviet Union, he said he will mainly discuss Mexico's efforts toward peace and disarmament. [end recording]

CHAMBER OF DEPUTIES APPROVES AMENDMENTS

FL300300 Mexico City NOTIMEX in Spanish 0107 GMT 29 Apr 87

[Text] Mexico City 28 Apr [NOTIMEX] -- The Chamber of Deputies approved today general and specific constitutional reforms and additions that make the Supreme Court of Justice the highest authority for the interpretation and application of the Magna Carta and defer to the circuit courts the enforcement of laws. The amendments to the constitutional articles 73, 104, 107, 94, 97, and 101, proposed by a presidential initiative, will reduce the backlog of cases of constitutional guarantee for the protection of civil rights [juicios de amparo] in the Supreme Court and will consolidate the division of powers.

David Jimenez Gonzalez, chairman of the Justice Commission, supported the approval of the initiative by indicating that by the highest court dealing with the solution of important constitutional problems, the rest of the tribunals in the country can work on the enforcement of justice.

He noted the need to eliminate the backlog of cases concerning constitutional guarantees for protection in the court, thus, indicating that with the approval of the initiative, the federal justice decentralization process is culminated and gets closer to the people.

During the debate, oposition deputies supported the initiative but questioned the judicial power subordination executive.

The federal judicial power reform eliminates quantitative criteria and substitutes it for qualitative ones. It gives the attorney general the authority to request the opinion of the Supreme Court in cases which, in his judgment, merit it.

The amendment to Article 97 establishes that the magistrates and the district judges will be confirmed every 6 years instead of 4. They will obtain their tenure after that period of time.

At the same time, the amendments to the Article 101 will allow federal judicial officials to work as university professors with the only limitation being they not be paid for those services.

Finally, in Article 107, sections three and five, a paragraph is added indicating judicial resolutions of the same type will have the same defense proceeding. In this way, the cases of constitutional guarantee for the protection of civil rights will be less technical.

The judicial reforms were passed to the senate for their final approval.

EL SALVADOR

GEN BLANDON EXPECTS FMLN-FDR LABOR DAY DISORDERS

PA020424 San Salvador Television Educativa in Spanish 1200 GMT 30 Apr 87

[Report by Alejandro Cubilla]

[Text] General Adolfo Blandon, chairman of the Joint Chiefs of Staff, has affirmed that FMLN-FDR infiltration to cause disorders during international labor day has been detected.

Gen Blandon added that in a democratic country all sectors have the right to express their views, but, unfortunately, the subversive groups are trying to take advantage of this opportunity to cause disturbances. With this attitude, they are distorting the spirit of how a true democracy should be interpreted.

[Begin Blandon recording] We definitely have reliable reports from the military intelligence office saying that these groups are trying to take advantage of the 1 May celebrations and the workers march on 1 May to cause disturbances in San Salvador. Two days ago we obtained a very important document, which I have right here, that reports they have planned a number of violent actions ranging from causing trouble at the embassies of some countries here to the occupation of some churches in San Salvador and in the Departments of Santa Ana, San Miguel, and Usulutan. This undoubtedly distorts the spirit of the freedoms within a democratic system. [end recording]

Gen Blandon recalled that during the days preceding the 1 May march there have been violent provocations by the guerrilla group against the security corps, in addition to a disinformation campaign in the media. The chairman of the Joint Chiefs of Staff said that the Armed Forces are reporting the subversive's plans to the people and appealing to all workers to avoid being manipulated.

[Begin Blandon recording] The Armed Forces have always been identified with the workers. We know that workers have every right to express their views and to celebrate 1 May as labor day.

Conscientious workers, please allow me to tell you to open your eyes and do not permit others to manipulate or exert a negative influence on you. Make good use of the democracy which is growing here in the country because this is the system chosen by Salvadoran people, for which all Salvadorans have struggled. This has cost so many lives, and it is untenable to permit a group of Salvadorans who do not understand the situation to destroy this sacrifice which has cost us so much. [end recording]

Gen Blandon said that the Army is preparing plans which could be implemented according to the situation on 1 May. He added that as long as El Salvador has a professional Armed Forces, it will not fall into the hands of communism. Gen Blandon also reiterated his appeal to workers to prevent subversive groups from using them, and he asked workers to celebrate International Labor Day with enthusiasm and common sense.

Los Horcones 1 May Attack

PA031305 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 May 87

[Text] We have received a military report from the Feliciano Ama Front: On 1 May, at 0700, FMLN columns carried out the "Long Live the Working Class" military maneuver and annihilated a [word indistinct] patrol. The unit was at Hacienda Los Horcones, Guarnecia jurisdiction, Santa Ana Department. We repeat, the patrol was annihilated -- 3 dead and 1 wounded.

Our forces seized the following war materiel: 2 M16 rifles, 1 G3 rifle, 1 M79 grenade launcher, 42 grenades, 1 PRC-77 military communication radio, 3 Claymore mines, 4 backpacks, 4 hand grenades, 3 grenades for a G3 rifle, and other war materiel.

That same day our forces attacked 4th Infantry Brigade troops and inflicted casualties -- 1 dead and 1 wounded. It is appropriate to mention that the patrol -- comprised of four members from the special [word indistinct] scouting forces -- was annihilated. Perhaps the special soldiers are not so proficient at scouting but they are certainly proficient at carrying an arsenal, which -- we have already reported -- was seized in Guarnecia, Santa Ana Department. The troops carried everything: three rifles, one M79 grenade launcher, one military communication radio, mines, backpacks, and grenades. These troops are part of the gringos' unconventional tactics, and we have begun to annihilate them in Santa Ana.

2 May Attacks Reported

PA030454 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 May 87

[Excerpt] Attention, attention, the FMLN has defeated the Americans' unconventional tactics in Santa Ana. A patrol of special [word indistinct] forces has been annihilated in Santa Ana, Guarnecia Jurisdiction. All the weapons carried by the special scouting patrol were seized. This patrol is part of the unconventional tactics that the gringos want to implement against our Salvadoran people. We have received an important report from Guarnecia, Santa Ana Department.

Radio Venceremos herewith gives a summary of the reports contained in several communiques from the FMLN General Command, to tell our people about the strategic operation carried out in San Francisco Gotera. Attention, attention. Within the framework of our current political-military campaign "For the Achievement of Bread, Land, Work, and Freedom, All People Take Up Arms," at 0000 on 2 May 1987, the FMLN carried out a strategic maneuver called Operation "Greetings to the Courageous Working Class." The operation was carried out by three FMLN battalions and a support weapons unit, which used conventional weapons and artillery.

Our three battalions simultaneously carried out the following actions:

1. Destruction of installations and the annihilation of troops during an attack on a military landing strip;

2. An attack to root out and destroy the troops posted at the barracks of Canton Los Matas. The Army sustained many casualties at this post;

3. Destruction of installations and the annihilation of troops at the base of El Petate in Cerro Mendoza, approximately 400 meters from the city;

4. Destruction of the installations and the annihiliation of troops at the heliport. Destruction of a battery of 120 mm mortars and an artillery attack on the main installations of Military Detachment No 4. All the troops were forced out and considerable damage was inflicted on the San Francisco Gotera barracks.

Our forces took over the northwestern sector of San Francisco Gotera, and we annihilated all the peripheral defense posts in San Francisco Gotera, inflicting 78 casualties. We repeat, 78 casualties were inflicted on the Duartist troops in San Francisco Gotera and the troops were forced out. The troops of the San Francisco Gotera installations fled in disarray. The first one to flee was Colonel Mauricio Ernesto Vargas, himself. He fled from the barracks during the FMLN's overwhelming attack. [passage omitted]

FMLN 'War Bulletin' on Attack

PA030144 (Clandestine) Radio Venceremos in Spanish to El Salvador 0056 GMT 3 May 87

[FMLN General Command War Bulletin No 3, issued in El Salvador on 2 May]

[Text] Within the framework of our current political campaign "For the Achievement of Bread, Land, Work, and Freedom, All People Take up Arms," on 2 May 1987 we carried out a strategic military operation called "Greetings to the Courageous Working Class." The following results were achieved:

1. All attack groups report a total of 78 enemy casualties -- 36 dead and 42 wounded;

2. The casualties include one Army officer;

3. We seized the following war materiel from the Army: 9 M16 rifles, 2 M79 grenade launchers, 36 grenades, 1 M60 machinegun, 1 60 mm mortar, 1 90 mm rocket launcher, 2 rockets for a 90 mm rocket launcher, 1 M72 rocket launcher, 19 backpacks, 7,200 rounds of ammunition, 2 PRT77 radios, 4 M18 Claymore mines, 1 pair of (?binoculars), and 1 military communications telephone;

4. Likewise, our operation caused the following destruction: The 4th Military Detachment's barracks in San Francisco Gotera was partially destroyed; serious damage was inflicted on the National Police installations and on the Cacahuatique Battalion's barracks. The destruction is the result of accurate fire from 40 artillery rounds. The attack started a fire in the barracks. The general barracks at the Tilanga and El Picacho bases were completely destroyed. War machinery and communications equipment were destroyed at the heliport. In addition, three military trucks, one armored personnel carrier, three 120 mm mortars, and rounds for those weapons were destroyed.

The puppet Army's demoralized troops have completely evacuated the 4th Military Detachment's barracks; this includes Colonel [Mauricio Ernesto] Vargas himself. No casualties were reported on our side.

"For the Achievement of Bread, Land, Work, and Freedom, All People Take up Arms!" Greetings to the courageous working class!

FMLN General Command. El Salvador, 2 May 1987.

Coprefa, Army Minimize Import

PA021713 Paris AFP in Spanish 1638 GMT 2 May 87

[Text] San Salvador, 2 May (AFP) -- Coprefa today confirmed the guerrilla attack on the 4th Military Detachment in San Francisco Gotera, 167 km east of this capital.

Coprefa admitted that 7 government troops were killed and 17 wounded.

However, Colonel Mauricio Vargas, military commander in San Francisco, said that 10 were killed.

Vargas denied the version of the FMLN insurgents' station, Radio Venceremos, which said that the attack lasted 3 hours.

The military officer said during an interview with a local radio station that the action began at midnight and ended 90 minutes later.

He said that in the city "between 10-12 houses were destroyed, a woman was killed, and damage to the garrison was minimal."

For his part, General Adolfo Blandon, chief of the Army Joint Chiefs of Staff, played down the importance of the attack and denied that any helicopters were damaged.

Gen Blandon on Gotera Attack

PA022140 San Salvador Radio Cadena YSKL in Spanish 1800 GMT 2 May 87

[Report by Rene Hurtado]

[Text] We reported earlier this morning that FMLN columns attacked military positions in San Francisco Gotera. We established contact with General Adolfo Blandon, chairman of the Joint Chiefs of Staff, who gave some preliminary figures and confirmed that the Army lost 7 men [corrects himself] that 7 soldiers were killed and 17 wounded in the clash that occurred last night at 2340 in San Francisco Gotera. Gen Blandon also said that 12 guerrillas were killed during the attack and several others wounded.

[Begin recording] [Blandon] Yes, I have preliminary information that indicates that approximately 150-250 terrorists attacked the city of San Francisco Gotera last night at 2340, using 81 mm mortars, 90 mm rocket launchers, and [words indistinct] grenade launchers.

They were trying to seize control of the city, so they first tried to (?annihilate) our units. However, the terrorists could not possibly achieve their goal; they withdrew and left behind 40 explosive devices in the outskirts of the city. These devices had already been prepared for detonation in certain targets, but apparently the rebels [words indistinct].

A sizable amount of personal property was damaged in San Francisco Gotera. We sustained minimum damage in our military installations. Casualties were sustained both on our side and on the terrorists' side. I can report that the Armed Forces, meaning Military Detachment No 4, sustained 7 dead and approximately 17 wounded. We have confirmed that the enemy sustained 12 dead. Those are the results we can confirm so far concerning casualties sustained in the attack when the terrorists tried to seize control of San Francisco Gotera.

I have established direct contact with the commander and some officers in the garrison, and I think that morale is quite high. I believe their quick reaction in repeling the attack was quite effective because they did not allow the infiltration of terrorists groups -- which could have caused serious injuries among the city's people. I think that the units of Military Detachment No 4 acted with great responsibility and effectiveness in combat; it was therefore possible to reduce the number of casualties in an attack that could have been worse. Hurtado, this is all I can report for the time being. The weather in this area is very bad and I do not think that you or your fellow journalists could possibly come to San Francisco Gotera to ascertain how the terrorists do not respect the civilian personnel and civilians living around military installations. The rebels endanger... [changes thought] a woman was killed by the terrorists' mortar fire. It is very important for the national and international news media to go there and objectively report to the world.

[Hurtado] Yes, General. The FMLN has claimed that five attacks were carried out simultaneously against five Army positions in the area of San Francisco Gotera. Did they not cause heavy damage, as the guerri'la forces reported?

[Blandon] I did not hear what Radio Venceremos reported, but their normal procedure is to exaggerate. That is why I would prefer for you to go there and ascertain the situation, and thus give our people and the world an accurate report.

[Hurtado] Yes, General. Did the helicopters in the zone sustain any damage?

[Blandon] Absolutely not. The aircraft could not be used because of the bad weather. [end recording]

This was Gen Adolfo Blandon's report on the attack carried out at 2340 last night against military positions in San Francisco Gotera.

The FMLN also issued a communique -- which was broadcast by YSKL -- indicating that three battalions had participated in the attack. In addition, a support weapons unit participated in the five attacks that were carried out simultaneously against military bases in San Franciso Gotera. This includes the bases in Chilanga; Canton Los Mata, where there is a peripheral defense; and Cerro Mendoza, where the Army has another peripheral defense. According to the guerrilla report, a heliport located in a military base of San Francisco Gotera was also attacked. The rebels also report an attack on the headquarters of Military Detachment No 4 where the National Police has its installations. The Cacahuatique Battalion is located in that sector.

The guerrillas said the attack was carried out 1 month after the attack they carried out against El Paraiso in Chalatenango Department.

The guerrillas also said that Colonel [Mauricio Ernesto] Vargas had been warned that the attack would be carried out very soon, and this is what they did.

HONDURAS

MONTOYA, FLORES 'DEBATE' ON FOREIGN POLICY

PA011650 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 29 Apr 87

[Phone-in debate between Carlos Montoya, Liberal Party presidential hopeful and National Congress president; and Carlos Roberto Flores, presidential aspirant and leader of Florista Liberal Movement -- live]

[Excerpts] [Passage omitted] [Announcer] Carlos Montoya, candidate of the Liberal Party of Honduras [PLH] to the Central Executive Council, presidential hopeful, and president of the National Congress, will now refer to the statements Carlos Roberto Flores has just made to "The Morning Paper" [newscast]. Good morning, sir.

[Montoya] I would like to make it clear that Flores' statements seek to demonstrate that the government is inefficient so that he may obtain political advantages for himself and his movement. Perhaps when he was Presidency minister and deputy to the National Congress during President Suazo Cordova's term there was a one-person administration and all criteria were attuned to the interests of the incumbent president. Perhaps that is why he sees contradictions in the ideas expressed by the various government branches or by various officials of the government branches. Diplomatic and consular relations as well as the foreign policy of the executive branch are one thing and the foreign relations policies which the legislative branch may develop are another. We generally agree with and are solidary with those positions, but we have absolute independence to seek interparliamentary relations with other countries in the world.

Flores seeks to distort our statement that dependency is a problem generated by underdevelopment and by the absence of an effective policy allowing Honduras to maintain close international ties with other social, economic, and political blocs, guaranteeing Honduras its neutrality and decisionmaking power. He is distorting this and is trying to make it appear in the newspaper [LA TRIBUNA] that we are replacing, so to speak, the alliance with the United States with an alliance with the Soviet Union. This is foolish. This is not realistic. This is not effective. We have said that economic dependence ties us to the wagon of U.S. policy, and U.S. policy is inconsistent. It is subject to the shifts in its domestic policy and subject to shifts in U.S. public opinion to suit their own interests.

We see that the European economic bloc pursues a foreign policy that is different and seeks peaceful coexistence between East and West. We have a Latin American bloc that may help strengthen Honduras so it can maintain its neutrality and continue economic development. We have to maintain parliamentary and economic relations with the socialist bloc. It is not a sin to maintain these relations at this stage. Flores is using obsolete terms, such as Iron Curtain and other such terms. Costa Rica has maintained relations with the socialist camp for over 20 years, and it is not procommunist. It has not ceased to be an important U.S. ally. It has simply exercised its sovereignty and established pluralism in its international relations. Costa Rica adopts its decisions in accordance with its interests, and it has received more benefits from U.S. foreign aid, even though it is a smaller country with less needs and with Armed Forces requiring training and modernization.

Panama maintains relations with Cuba. The Latin American countries maintain very vast commercial, diplomatic, and cultural relations with the socialist bloc. The foreign debts of Brazil, Mexico, and Venezuela alone involve thousands of millions [currency not specified]. In other words, we are not talking about anything new. He should not be afraid. He must not distort the situation. Japan, China, and Korea have trade surpluses. We want closer relations with those countries to seek sustained and strong economic solutions and even to hold negotiations to pay the foreign debt with a global loan by countries that have economic surpluses.

We have said that a unilateral dependence on U.S. economic assistance ties us to political dependence that may harm us. We must maintain Honduras' neutrality and seek peaceful solutions because of a constitutional mandate. Thus, I think he knows perfectly well what I meant to say and should be honest with the Honduran people. This is not a question of breaking relations with the United States to establish them with the Soviet Union. This cannot be done. This is something that cannot be done just like that. Our ideology is democratic, and we belong to the group of democratic countries. However, we do want to be less dependent. This is a mandate embodied in the Liberal Party's bylaws. Defending and maintaining the country's sovereignty is a constitutional mandate. In international relations, this has to be done by establishing the necessary equilibriums and solidaristic cooperation for us to develop, to have our own criteria, and to be able to chart Honduras' destiny as best suits us.

The parliament's international relations are determined when we affiliate ourselves with the IPU, which is currently holding its 77th conference in Managua. Therefore, we will now maintain relations with all parliaments in the world. Therefore, the fact that the National Congress adopts initiatives which the executive branch cannot adopt for specific circumstances or because of foreign policy tenets should be no surprise. We are even talking about relations with the Arab countries and with the countries in the Persian Gulf, and we have sent a huge delegation to Nicaragua to establish individual [particulares] relations and to talk with other countries in the world which can help us; i.e., in which areas they can help us, in which areas they can invest, and how we can maintain cultural and trade exchanges. So this is what we meant to say. The United States is not reliable? Everybody knows that is a true. The United States does not maintain a solid and sustained relationship with its Third World allies as shown in the case of Argentina. This is the biggest example. There are the foreign debt problems and the U.S. behavior at the IMF and World Bank. So, we are not talking about anything new. We simply want to make it clear that we want Honduras to maintain closer relations with other economic, political, and social blocs -- particularly with Europe, Latin America, and Asia -- to strengthen our independence, sovereignty, and development. We also want to make it clear that any (?positions) that may be expressed in this regard are not contradictions. They result from the independence among government branches that exists under this administration and [the exercise of] personal freedoms.

The statement made by Jaime Rosenthal [presidential designate under President Jose Azcona] is not against President Azcona. It is against an administrative criterion applied during previous years regarding these countries [not further identified]. Not only Honduras but the entire region is a victim of this. We want to tell them [not further identified] that we are aware of this game of directing resources for the purpose of returning them to the metropolis. If they want to help, they should help us devote the resources they give us to the [word indistinct] development of our people. Therefore, there are no contradictions. We simply are outlining situations to improve our relations and so that the aid will directly reflect Honduras' interests.

[Announcer] Please stay on the line because Mr Flores is going to respond to your statements. What is your opinion, Mr Flores, regarding the statements by Mr Montoya?

[Flores] In the first place, I wish to say the following to Carlitos. Often when both of us were serving under President Suazo we held discussions about this. We discussed ways to better coordinate the government's decisions in order to have a single position abroad; in other words, so the government's positions would be expressed in such a way as not to give the impression that the government had three, four, or five heads and not to create confusion about the correct or adequate official position.

I think the Congress president just said things that are far from true. He claims that his statements have been distorted in (?my) newspaper and that they have been given a particular connotation. Well, I want him to read the other newspapers that have published his statements. He should read the local newspapers and international news reports. In fact, our newspaper published a report by AFP. It takes into account statements he made previously to the international and local press and is not necessarily based on the statements he made in that political meeting. Thus one has to be careful about what one says. If, when formulating the government's foreign policy, it is proposed that relations be established with the socialist countries or that ties with them be strengthened -- such as by opening consulates and embassies -- and this is done within a national context and with a view toward safeguarding the country's interests, then this position must be analyzed. [passage omitted]

[Announcer] Mr Montoya will now refer to the statements made by Mr Flores. Go ahead, sir.

[Montoya] We insist that Flores is making proposals with a very particular agenda. He knows that Congress does not manage international relations. We have interparliamentary relations. They are of a different nature. We represent political pluralism. We represent the various political tendencies in a country expressed through universal suffrage.

We maintain relations with Latin American countries. We have signed declarations in favor of Argentina's sovereignty over the Malvinas Islands, for instance. We maintain relations with the European Parliament and with the IPU. We maintain bilateral, interparliamentary relations.

When I say that the major political parties have discussed at a working meeting in Congress the need to establish links [incursionar] with parliaments in the socialist bloc to increase our economic and trade development and our political independence, Flores says he agrees. However, he says that I say that we have to forsake the United States to become allies of the Soviet Union, and there he disagrees. These things are not true. There is no sense to them, and there is no possibility of that happening.

The problem of dependence has been analyzed by the Third World. When there is total dependence, the Third World becomes a pawn of the metropolis' policy. We are in the hottest trouble spot in the world at this moment. If we do not manage to strike a balance between Honduras' interests and the United States' own interests in the region we may become casualties in a conflict the Honduran people do not want. We are obliged under the Constitution to seek peaceful solutions and positions of neutrality.

Therefore, when we establish relations with France, when we establish closer ties with the German [not further specified] parliament, with the Israeli parliament, with the British parliament, with the Italian parliament, and with the Latin American parliaments, we are guaranteeing that Honduras will have a democratic profile with definite criteria for the conflict in the region, peaceful solutions, support to Contadora, efforts to solve the problem -- which Nicaraguans must solve because the problem pertains primarily to Nicaragua even though it affects Honduras. [passage omitted]

Flores said nothing new. He spoke only about the seriousness of the government under which he served. [passage omitted] I must insist that the intention is not to break economic, commercial, or solidarity ties with the United States; it is our natural market; we maintain close ties with it, but it is not a reliable ally for Third World countries. Therefore, Honduras must pursue a policy of maintaining multiple international relations with all the countries in the world.

Each country must solve its domestic problems internally. [This is] self-determination of peoples. We maintain relations with Chile, and it will be the Chilean people who will guarantee or reject the presence of their regime. We maintained diplomatic relations with Somoza even though his dictatorship was 45 years old. However, the Nicaraguan people had to solve their own problem.

We cannot formulate our foreign policy by analyzing the ideology of each government. Instead, we must tighten diplomatic, economic, and cultural relations with all countries in the world, but particularly with countries that have similar democratic systems. Regarding our region, we are traveling and working in Europe. [passage omitted] When we say that (?we must talk) about parliamentary relations, it is because we already have them through the IPU. [passage omitted]

Callejas on Montoya Remarks

PA012320 Tegucigalpa Voz de Honduras Network in Spanish 1748 GMT 29 Apr 87

[Interview with National Party of Honduras [PNH] leader Carlos Rafael Callejas by correspondent Trino Murillo; date and place not given -- recorded]

[Excerpts] [Passage omitted] [Murillo] There was a big controversy over the remarks by Presidential Designate Jaime Rosenthal Oliva that U.S. funds were diverted from their intended purpose. Mr Callejas, can you also say that National Congress President Carlos Orbin Montoya must be more careful regarding his remarks for the good of the country, since he may damage Honduras' image?

[Callejas] I do not think that the remarks by a top political leader such as the president of the Congress might damage our relations with any country. Of course, this person must be careful, as the case merits, due to his high position. However, this factor should not keep him from expressing his views. That is how we can judge his political views. Carlos Orbin Montoya is a strong contender for the presidential candidacy of the Liberal Party of Honduras [PLH]. He is entitled and free to begin expressing his views.

[Murillo] Are there inconsistencies between the remarks by top officials and our foreign policy?

[Callejas] The only spokesman of our foreign policy is the foreign minister because the president of the Republic has appointed him. As long as he does not have a defined stance or make changes in the current foreign policy, whatever one may say regarding this subject is merely one's own views.

[Murillo] Does that explain why some say one thing and others say another?

[Callejas] That may be because they disagree with the country's foreign policy. However, these views are not official and must not be regarded as the government's stance until the president of the Republic or the foreign minister on orders from the president says so.

[Murillo] What is really happening in the Azcona administration?

[Callejas] I have talked about this matter on several occasions. It concerns the fact that the internal struggle within the PLH is reflected in the top government structure. This situation should call for reflection. Also, this matter is worrisome because more than ever the country needs leadership. There should be strong leadership within the PLH. Although some may feel that the infighting among the presidential candidates is a political boon for the PNH, that is not true. We are well aware of and convinced that a single PLH candidate will emerge, as has happened in the past. We must defeat that candidate. For that reason, we feel that as a political structure, the PLH must have fixed and institutional stances. We cannot keep any PLH presidential hopeful from expressing his views on the sort of leader he is or wants to be. In this regard, I would say that the main thing is that PLH's central authorities establish specific guidelines that are in agreement with the Executive in order to prevent internal and external differences and confusion.

[Murillos] [Passage omitted] There also has been a great deal of talk on some matters involving foreign policy. As for the purchase of [words indistinct], do you endorse the purchase of the F-5 airplanes, I mean, the government purchase of those airplanes?

[Callejas] I personally support giving the Honduran Air Force the technological and military capability to guarantee our sovereignty. Obviously, I am not an expert on military matters. I cannot comment on one type of equipment or another. The important thing is that we obtain what we need to defend the Republic of Honduras.

[Murillo] In this regard, are the president's policies to defend the sovereignty of the Republic and toward the Nicaraguan problem correct? Have we really inherited a U.S. problem, as Montoya has stated?

[Callejas] The PNH clearly defined its stance during our convention. We maintain the same views. Honduras' foreign policy must take into account what the diverse sectors of the country feel. We are not trying to say that one party -- it could be us or it could be the other political parties in the country -- must decide the country's foreign policy. We are saying that there should be at least enough communication so that the this country's foreign policies, especially regarding the problems of Nicaragua and El Salvador, should be based on consensus to the extent possible. So far, the PNH has not been informed or involved in the drafting or defining of our foreign policy. Moreover, no one has asked us for our views. [passage omitted]

[Murillo] You and Montoya have been accused of wanting to suspend the elections and bring about something called a [words indistinct] or constitutional coup in the country.

[Callejas] I have talked at length about that topic. I have nothing to do with...

[Murillo, interrupting] Does the PNH have a defined stance?

[Callejas] The PNH will abide by the dispositions of the country's laws.

[Murillo] [Words indistinct] at present?

[Callejas] The law is very clear. I think that we must stop referring to this topic all the time. Our stance is clear. We are going to accept the existing electoral laws.

[Murillo] Can the [words indistinct] law fail?

[Callejas] Everything the law mandates. [sentence as heard] If the law says that we must follow certain electoral procedures, and if the stipulated requisites are met, that will be the procedure to follow. Otherwise, that is not the [words indistinct], I mean, the general framework.

[Murillo] You met the requirements. I mean that phase is over.

[Callejas] This is the PNH stance. We are going to abide by the existing electoral law on political organizations. In this regard, we do not accept amendments to the electoral law. All the political parties acted within the framework of the law approved by the National Congress. Politically speaking, the idea or stance to amend the electoral law is unacceptable to the PNH. If the electoral law is amended now because some did not meet their obligation under the law, tomorrow they will try to introduce legal procedures to benefit their political institutions or groups. That concerns us because we have seen diverse political groups requesting changes in the electoral process. The truth is that they want the electoral alternative implemented in 1985 for just that time in our country. The alternative had negative results for the PNH, the Christian Democratic Party, PINU [Innovation and Unity Party] and for the country in general.

The groups that then opposed internal elections within the parties to pick candidates for the general elections were those that endorsed the bid by the Suazo Cordova government against the Callejas movement and Azcona's group. However, they have realized that according to the process stipulated in the primary elections law, they may not be chosen as candidates for the presidency. Therefore, although they do not say so openly -- except for one of them -- they are covertly trying to create a legal political confrontation and return to the 1985 electoral alternative. We do not accept the electoral alternative at this time. We are clear in our stance. We do not accept amendments to the current elections law.

[Murillo] Your remarks are very delicate, because using an electoral alternative as happened in 1985 is to subvert the Constitution. Does the PNH have any proof that this plan is being covertly prepared?

[Callejas] There are groups that already have expressed their views on the matter.

[Murillo] Mr Callejas, do Montoya's remarks about the United States, the electoral aspects which you are mentioning, and the internal problems within the PLH constitute an act to bring about the electoral alternative that you have just mentioned?

[Callejas] I do not see that this is a coherent plan or that the diverse stances adopted respond to a strategic plan toward that goal. I think that these things are unrelated to each other.

[Murillo] How do you feel about Montoya's remarks that the United States is to blame for the contras, the Central American problem, and everything bad happening in this country?

[Callejas] The counterrevolution emerged as a result of the existence of a Marxist regime in Nicaragua. That regime took power due to the weakness of a U.S. Administration. We did not create the Central American crisis.

It was the wrong U.S. foreign policy. Therefore, the truth is that the Central American crisis is brought about by a wrong U.S. posture. The United States did not understand the need at the time. As if it did understand this need, the United States backed a Marxist government in Nicaragua, something entirely inconsistent and contradictory to its ideological posture. Here is where Central America's problems arise. As long as we do not establish a clear position that Central America must be democratic, the United States has been, is, and will be held responsible for the emergence of groups like the counterrevolutionaries in Central America.

[Murillo] Then, truly, Yankees are not reliable.

[Callejas] I would say this is not the proper term. I do trust the United States to continue supporting Honduras economically and even militarily if the circumstances so demand. The negative aspect in all that we have mentioned -- and this is what I said at the beginning of this interview -- is that U.S. domestic political problems influence its foreign policy. U.S. representatives and senators come to Honduras to try to establish their foreign policy rather than that which reflects the posture of the State Department, the official voice of U.S. foreign policy. We have now been seen within the general framework of U.S. domestic political problems. This is worrisome because there is not a single posture, a single view of U.S. foreign policy on a short-, medium-, and long-term basis. Otherwise, a totalitarian government like the Nicaraguan Government would not exist. The United States would have backed democracy. This is something we should understand.

If we get involved in U.S. domestic problems and try to please the Democrats of the Republicans, we will make a mistake because our permanent relations as a country should be with the official U.S. representative, that is to say, with its executive branch. But we welcome every trend, thought, or view, and think -- perhaps wrongly in terms of future powers -- that we have to please the various sectors that come to this country from various U.S. political areas. This should not be so.

Particularly with regard to Nicaragua and El Salvador, Honduras should have a national consensus on foreign policy. This is our domestic responsibility so that when people holding various trends come from abroad, our posture can be in agreement with national interests rather than with the political interests of U.S. groups or sectors.

[Murillo] How do you explain the presence or the absence of contras in Honduras, considering that the contra leaders are meeting here today?

[Callejas] There are no unconventional contra troops in the United States, yet the members of the FDN coordinating board meet in Miami. They have been in Costa Rica. They also could meet in Venezuela or Colombia. I think the fact that they have come here to meet does not necessarily mean that there are unconventional troops here. I have no reason to doubt the words of the president of the Republic. If he says that as far as he knows and according to agreements with the counterrevolutionaries they are not established in Honduran territory, I hope this is true.

[Murillo] A remark. A deputies commission designated by the congress president himself went to Trojes and confirmed the presence of contras through interviews, pictures, etc. Somebody is misinforming the Honduran people. This must be clarified.

[Callejas] We go back to the point of origin. If there are contras in Honduran territory, then let it be said and established. We have already said that the great majority of social and political sectors do not want the contras on this territory. This should reach the most important decision-making centers in Honduras. If there are no counterrevolutionaries and we get reports of deputies, commissions, or any other group, such reports should be refuted with the truth. We cannot continue in this game any longer in Honduras. The Honduran nation can no longer be misinformed, because the results or repercussions can be negative for this country. If the president says there are no counterrevolutionaries in this country, there should not be counterrevolutionaries in Honduras. If there are, then he has been misinformed and this mistake should be corrected. Yet I reiterate what I said previously. I trust the word of the president regarding this.

[Murillo] This leads to confusion. While the government says there are no contras here, the congress sends a commission there and confirms their presence with newsmen on the scene. Also, peasants and coffee grower leaders publicly report the presence of contras. Of course this contradicts what has been said. I think this should be clearly and finally clarified.

[Callejas] Yes. If the view already expressed is that there are no counterrevolutionaries in Honduras, then there should not be any.

AZCONA SPEECH TO TRADE UNION ON 30TH ANNIVERSARY

PA010242 Tegucigalpa Voz de Honduras Network in Spanish 0430 GMT 29 Apr 87

[Speech delivered by President Jose Simon Azcona Hoyo during ceremony commemorating 30th anniversary of the National Trade Union Federation of Honduran Workers (Fesitranh), in San Pedro Sula on 28 April; broadcast in progress -- recorded]

[Text] ...effort, perseverance, and work to obtain positive results from our historical task.

However, it is also clear to us that only within an atmosphere of freedom, social harmony, respect for the rights of others, and cooperation with the other sectors of the population is it possible to produce, work, and live in peace, with a dignified and decent life.

At this point, we must recognize that political forces also contributed to the creation and success of Honduran unionism. In addition to promoting social development and unionism, the government of Ramon Villeda Morales, installed in 1957, also promoted the development of the peasant sector as a balancing factor in the social process. This was not done based on political considerations or demagoguery, but because dignifying the labor and peasant sectors socially and economically is a basic point in the Liberal Party's doctrine, without which we Liberals would not be able to justify our past or current actions.

[Words indistinct] sensible to the problems and aspirations of our two large labor sectors: the workers and peasants. We recognize in them two factors that have played and still play an important role in the efforts to guarantee a solid, permanent, and stable democratic and social process in the country. We believe in the justness of their demands, and in our obligation to satisfy them. Therefore, our government has maintained, maintains, and will always maintain an open-door policy to talk, negotiate, and reach agreements with the social organizations, without forgetting that based on our constitutional duties and our own convictions, we also must listen to the other productive forces, trying to maintain harmony among all the social sectors in the country.

It is definitely our sincere desire -- as I said during my electoral campaign and reiterate today -- to create a favorable climate for all. However, the economic and political situation in Latin America, of which we are an inseparable part, currently requires from us austerity and restraint to maintain at least the minimum of economic and social dignity [words indistinct].

I believe this is a temporary situation, because mankind would not be able to survive too long under extremely difficult circumstances. Paradoxically, this situation demonstrates to both the national and foreign sectors that if we want to overcome recession and the negative effects of centenary backwardness, we must walk together along the same path -- the path of sacrifice, effort, and work. It is necessary to show a broad spirit of cooperation and to be ourselves, realizing that we are called upon to resolve our own problems and to forge our own historical destiny.

Dear Fesitranh friends: As president, and as a friend of each and every one of you, I am honored to share with you these moments of joy, but also of responsibility, on occasion of another anniversary of the creation of this labor organization, which is highly respected and esteemed by all Hondurans. I hope that today, as yesterday, you will continue to be a firm vanguard of liberty and democracy.

I want to tell our friend Mr Sergio Gonzalez, who is also an admired labor leader, that we are touched by his words. The admiration that we have always felt for labor leaders who helped forge these exemplary Latin American institutions has increased. During our inaugural speech we mentioned, among other things, a social pact. We did not mention it simply to [words indistinct]; we did so because we were aware of Honduras' needs. I said that this pact can easily be achieved by advocating and encouraging all the sectors' efforts. The presidential palace doors are open to all workers and peasants, just as the doors are open for businessmen -- regardless of their enterprise, whether industrial or commercial.

There has been talk -- this is currently the most important topic -- about the difficult economic situation that Honduras confronts.

There has been talk about the hundreds of millions of dollars that were lent to Honduras and squandered. It is true. However, Hondurans have not been soley to blame for this. I said during my inaugural speech that the responsibility was shared by the foreign financial organizations that had given the financial aid -- sometimes forcing the Honduran Government to accept the aid -- so it could be squandered. Corfino [Financial Industrial Corporation], which is being mentioned so much nowadays, is an example of this. The Hondurans are not entirely responsible for this situation.

However, this is not the time for us to sit down and cry, blame someone else, or look for a scapegoat. We must act like men and face the situation legally; we must have faith in Honduras. The president of the Republic wants to state this: We have faith in Honduras and we are exerting ourselves to the utmost so the country may overcome the situation. [applause] We recently rejected pressure to increase taxes and devalue... [corrects himself] insinuations or recommendations, not pressure, to increase utility bills. We have established three conditions for our negotiations with international financial organizations: no additional taxes, no devaluation, and no increase in the utility bills. In exchange, we pledged to reduce our government expenses by 100 million lempiras.

We need all the Honduran people's support to do this. No one should try to evade paying taxes. The professionals working for the government [applause] [word indistinct] salary that the government pays them with other business activities, and then successfully report a loss to avoid paying their income tax. I have issued precise instructions to the Income Tax Directorate: Any government official who reports a loss in his income tax form and requests a credit, must be denied the credit because this goes against the people's interests. [applause]

A 1-month extension has been given to present the income tax forms. I cannot believe that -- and this is stated in the report sent by the income tax director -- (?15,000) Hondurans ... [changes thought] that the small minority that pays taxes has yet to present their declaration. We will endorce the law against those who fail to present their 1986 income tax forms. We will also adopt other measures to increase income tax revenue.

However, I also want to tell you that we are satisfied with the measures which have been taken or which are being taken that have led to positive results. For example, we have collected an additional 20 million lempiras in taxes as of 31 March compared to what was collected on that same date last year -- in other words, from 51 million lempiras to 71 million lempiras. It seems a paradox, but we have even collected more revenues from coffee exports. I do not know what happened during the first months last year. The truth is that we are exerting ourselves to avoid further sacrifices for the Honduran people and yet are improving our economy. Let me tell you, I have faith that we will overcome the situation.

VEIGA SPEAKS IN REVOLUTION SQUARE ON MAY DAY

FL011423 Havana Domestic Service in Spanish 1307 GMT 1 May 87

[Speech by Roberto Veiga, member of the Communist Party of Cuba [PCC] Politburo and secretary general of the Central Organization of Cuban Trade Unions [CTC], during International Workers Day ceremonies held at Revolution Square in Havana -- live]

[Text] Comrades of the party directorate, government, union movement, and mass organizations; dear outstanding workers and guests who honor us with their presence; comrades:

We dedicate this 1 May, with admiration and gratitude, to the 70th anniversary of the Great October Socialist Revolution, forger [applause] of the most extraordinary era recalled by history; seed of ideas and heroism; builder of a state and people who today rejuvenate their revolutionary spirit with a strong determination to deepen, accelerate, and perfect the development of socialism. Our working people honors this great day at a time when it is immersed in the important rectification task to which it was convoked by the party, and especially by Comrade Fidel. Our experienced union movement plays an important role in the battles to achieve the unpostponable goals we have set for ourselves. The achievement of these goals is being affected by the necessary restrictions and austerity measures we have been forced to adopt in face of the difficult international economic situation.

However, we have begun to see our first moderate, but encouraging, achievements. We can already see a certain increase in the level of labor discipline, a more satisfactory use of the work day, and a better policy aimed at saving the human and natural resources we have. All these are linked to the implementation of effective economic and organizational measures.

These first achievements not only please us, but also represent new and greater commitments. They reaffirm that we are, and will continue to be, capable of facing and resolving the many problems and deficiencies that still exist. We have found the correct path and we are deeply convinced that this path will lead us to new and important victories.

Our labor movement, which has a rich history of revolutionary and working traditions and which has given us outstanding men like Jesus Menendez, Lazaro Pena, and Blas Roca [applause], will know how to stand up to the times and respond to this new challenge with the dignity, honor, and awareness that beats within the masses and it will be worthy of the trust that our party and Comrade Fidel have always placed in it.

With unfaltering determination we will carry on with this deep and truly revolutionary process that demands that we redouble our strength, give ourselves fully to carry out our tasks, and above all, have a truly critical attitude toward our own mistakes and the determination to point them out and rectify them with the revolutionary courage and honesty taught us by Comrade Fidel. There can be no moment of rest, we must immediately face the challenge that the current sugarcane harvest represents and at the same time prepare for the upcoming task which, among other things, represents the planting of thousands of caballerias of sugarcane.

Throughout the length and width of our country we must take on the challenge brought on by every investment we make and work we do. All this must be done in addition to our task of strengthening the defense of the fatherland.

The present and future sense of our actions can be summarized in a single word: work. To work more and better each day. To work without tiring, with the strength that results from our revolutionary and productive awareness. In our day to day work we will find the solution to our problems, security for the future, and the confirmation of the righteousness of our principles and ideology. Our hard and efficient work will allow us to fulfill our sacred duty of helping other sister countries and meet our commitments with the dignity and decency that distinguishes us along with the socialist community countries, especially with the beloved USSR. [applause]

In a few moments the combatant people will begin to march in an endless flow and they will make this Revolution Square vibrate. Together with the representatives of the Havana Province macheteros contingent and outstanding workers of the city, and heading this sea of people, ill be approximately 10,000 workers who form the strong capital city mini-brigades. [applause] They represent the people's determination to advance toward a promising future. Those men and women are the bearers of a renewed spirit of struggle and represent the unyielding determination of the people to remove all the obstacles and overcome all the difficulties.

On this International Workers Day we wish to send our solidary greetings to the workers in the socialist countries; our encouragement and support for the workers and trade unions that, together with the other progressive sectors in their respective nations, are struggling and confronting the aggression of imperialism and the reactionary sectors; we send special greetings to the workers and unions in Latin America and the Caribbean who are preparing to wage new struggles [applause] and carry out strong actions against the criminal foreign debt and for their rights and just demands.

Comrades, on this 1 May proudly wave the unbeaten banners of Socialism and internationalism; let our slogans of victory and struggle be heard as never before; may the impressive force of this heroic and working people serve to reaffirm our irrevocable determination to fulfill our duties to the party, the fatherland, and to you, Comrade Fidel. [applause]

Long live International Workers Day! [Crowd shouts long live]

Long live brotherhood and solidarity among all the peoples of the world! [Crowd shouts long live]

Long live our Communist Party of Cuba! [Crowd shouts long live]

Long live Fidel! [Crowd shouts long live]

Fatherland or death, we will win! [Crowd shouts long live] [applause]

May Day Parade

FL011600 [Editorial Report] Havana Domestic Service in Spanish at 1300 GMT on 1 May carries live coverage of the International Workers Day parade from Havana's Revolution Square.

The camera shows President Fidel Castro, Politburo members Roberto Veiga, Vilma Espin, Jorge Risquet, Juan Almeida Bosque, and outstanding workers wearing white straw hats and red scarves around their necks.

Posters of Lazaro Pena, Che Guevara, and Vladimir Ilich Lenin are on display.

Castro and his delegation begin marching toward the speaker's platform, which is shown to be under a statue of Jose Marti with a banner underneath it that says "Long live 1 May!" The crowd begins chanting "Fidel, Fidel!" when Castro reaches the platform.

Veiga begins an 11-minute speech in which he says "we dedicate the first of May with admiration and gratitude to the 70th anniversary of the Great October Socialist Revolution." Veiga notes the workers' efforts during the rectification process and the tasks which have been made difficult "by the necessary restrictions and austerity measures, which we have been forced to adopt because of the difficult international economic situation."

Despite these difficulties, Veiga points out the achievements of the trade union movement. He also notes that Cuban workers are on the correct road and will continue providing internationalist assistance to other countries.

The announcer identifies a group of wounded Salvadoran rebels belonging to the FMLN, who are also marching in the parade. They are in Cuba recovering from their wounds.

The slogan under which the workers are marching today is "On the right road toward new victories for the socialist fatherland; long live 1 May!" The announcer also reports that parades will be held simultaneously in the 14 provinces and the Isle of Youth.

Helium balloons bear such slogans as "Long live 1 May!", and other banners are carrying work goals, such as "Efficiency," or "Productivity." One balloon is shown carrying the image of Uncle Sam, which the announcer describes as "the image of the hanging of imperialism."

The camera gives a wide shot of a Cubana de Aviacion float which is carrying the crew of the flight that, along with its passengers, thwarted a recent hijacking.

Some of the slogans described by the announcer include "Work, discipline, and defense, permanent tasks of the present socialism!", "Foreign debt is unpayable and uncollectable!", and "Long live the struggle of the Third World peoples against imperialism!"

The parade closes with the Territorial Militia Troops, ceremonial battalions, and FAR combatants. Students in uniform, wearing combat helmets, carrying guns, and banners with their school name lead the military representation.

The Interior Ministry's Coast Guard is also participating in the parade, as well as a FAR landing and assault unit. Closing the parade is the women's unit "as a symbol of the participation of women in defense tasks."

The 2 hour and 13 minute ceremony ends with a close-up of Castro waving to the people

RAUL CASTRO AT MAY DAY PARADE IN PINAR DEL RIO

FL012315 Havana Radio Rebelde Network in Spanish 1700 GMT 1 May 87

[Text] Over 100,000 Pinar del Rio People participated today in the parade held on the occasion of May Day, International Workers Day, which was witnessed by Army General Raul Castro, second secretary of the Communist Party of Cuba [PCC] Central Committee and FAR minister. The parade was described as the most magnificent and colorful the westernmost province of Cuba has ever had. The Pinar del Rio people expressed to the party their firm determination of taking the right road toward new victories for the fatherland and socialism.

At the end of the parade, Raul addressed the people of Pinar del Rio and said: It is an honor for me to have this great opportunity of spending these 2 hours with the people of Pinar del Rio who I sincerely greet.

Orlando Lugo Fonte, chairman of the organizing committee of the seventh congress of the National Association of Small Farmers [ANAP], Rene Penalver, second secretary of the Central Organization of Cuban Trade Unions [CTC], and Fidel Ramos Perera, first PCC secretary in Pinar del Rio, all members of the PCC Central Committee, were present at the parade.

COMMENTARY ON DEATH OF U.S. VOLUNTEER IN NICARAGUA

PA011630 Havana International Service in Spanish 2300 GMT 29 Apr 87

[Station commentary, read by Norberto Hernandez]

[Text] After giving the Somozist bands millions of dollars to increase their aggression against Nicaragua, the U.S. Government has realized that those mercenaries are afraid of a direct confrontation with the EPS which has inflicted thousands of casualties on them. The Yankee tactics include the destruction of the Nicaraguan economy regardless of the lives of civilians and volunteers from other nations that may be lost. In this respect, on Tuesday a mercenary commando unit crossed the Nicaraguan border from Honduras, near La Camaleona. After identifying him, this unit murdered mechanical engineer Benjamin Ernest Linder. It knew perfectly well that he was a U.S. volunteer working in Nicaragua.

Benjamin Ernest Linder's murder reveals that the FDN, the largest armed counterrevolutionary group, is making good its word. Last year, it announced that foreign volunteers would also be regarded as targets of its cowardly attacks. Since then, the most outstanding action was the kidnapping of eight West Germans who were working in agricultural projects in Nicaragua's Nuevo Leon Department. The lives of these volunteers were saved thanks to immediate intercession of several countries and international organizations.

The murder of the mechanical engineer prompted a new protest from the Nicaraguan Foreign Ministry to the U.S. State Department. The Nicaraguan letter said that Linder's murder reveals the terrorist nature of the actions promoted by the Ronald Reagan administration.

LACK OF U.S. PRESS SUPPORT FOR CONTRAS NOTED

PA031732 Havana International Service in Spanish 2300 GMT 1 May 87

[By Amalia Sanmartino]

[Text] The U.S. Government doggedly continues its program of giving aid to the Nicaraguan counterrevolutionary bands. However, the U.S. press itself has been entertaining doubts for a long time about the success of these groups.

On Thursday 30 April, in an article entitled "The Contras Cannot Win Without Popular Support," THE LOS ANGELES TIMES discounts any possibility of victory for the groups seeking to overthrow the Nicaraguan Government because they lack popular support in Nicaragua. The U.S. newspaper criticized the U.S. Southern Command's guerrilla training for the mercenaries, and in this regard affirmed that it does not behoove military experts to determine the tactics and strategies which should be established by the counterrevolutionaries themselves.

Aside from the U.S. press' criticism, the truth is that the counterrevolution is lacking any kind of support in Nicaragua and this is the reason for the failure since the beginning of the attempt to overthrow the Sandinist authorities.

Indiscriminate terrorist attacks against the population, economic objectives, and even foreign volunteers, is the method now being used by the counterrevolution which has been frustrated in its attempt to seize territories and remain in them.

The case of U.S. volunteer Benjamin Linder, killed on 28 April by Somozist mercenaries, is the most recent example of the desperate counterrevolutionary tactics, consisting of sowing terror in order to justify the support they are receiving from the United States.

On 30 April, during the young U.S. internationalist's funeral, Linder's relatives blamed the White House for the death of the volunteer, and they scored the aid being given to the Somozist groups by the U.S. Government.

SPECIALIST COMPLAINS ABOUT EEC POLICIES

FL282320 Havana Radio Reloj Network in Spanish 2043 GMT 28 Apr 87

[Text] Olvaldo Cardenas, department chief of Havana's Center of Western European Studies, has criticized in Bonn the EEC's increased protectionist measures and its sugar production subsidy policy, which is affecting so greatly some Latin American countries, Cuba among them. The Cuban expert complained that EEC countries have made the signing of a world sugar agreement difficult, thus contributing to price instability. Cardenas will participate in a symposium to be held in Hannover. He will talk about the progress and future of economic and trade relations between Cuba and the FRG. The Cuban specialist indicated that there seems to be a consensus among the main political forces of the FRG in favor of improving and intensifying contacts with our country.

THREATS TO DEMOCRACY SEEN IN ARGENTINA

PA031650 Havana International Service in Spanish 2300 GMT 1 May 87

["Our America" commentary read by Manolo Ortega]

[Text] Some time ago we said that Argentine President Luis Alfonsin's government is threatened by destabilization. The latest occurrences in that country seem to confirm our prediction, because all appearances seem to indicate that the danger persists. In this respect, it should be emphasized that -- in view of statements made -- everything would be well, politically speaking, if the democratic government had not decided to try the military men who had committed human rights crimes during the previous regimes. As a consequence, the chain of events seemed to forge dangerous new links, which emerged in the last few days when authorities confronted an attempted coup that put the nation through its most difficult time since 1983.

Even though the attempted coup was carried out by officers on active duty, it had unknown supporters who, no doubt, sought identical objectives: to pressure the radical government into stopping the trials once and for all. It will be enough to recall the bomb explosion at the house of Economic Planning Secretary Juan Sommer; another in a federal judge's garden; the bombs placed in three Buenos Aires churches; and the threat against the Federal Court of Appeals building, where the majority of human rights violations are judged. These attempts at intimidation took place before the arrest, 2 days ago, of 8 individuals linked with a terrorist cell led by Patricio Camps, son of a general condemned to 25 years in jail for political crimes. We must recall that Gen Ramon Camps, former Buenos Aires chief of police, was one of the main ideologists and practitioners of state terrorism during the late dictatorship, and that his involvement in the disappearance of 5,000 persons was disclosed during his trial.

To this must be added the discovery of a weapons arsenal in the house of a Buenos Aires police commissioner, which clearly demonstrates that the actions of rightist groups are dangerously threatening constitutionality in Argentina.

It is pertinent to add that these bands were always closely linked with different sectors of the Armed Forces and therefore it would not be surprising to expect a renewal of common terrorist acts in an attempt to influence the government's decisions.

In view of the sensitive nature of this matter, Argentine Interior Minister Antonio Troccoli said that it is of the utmost importance to effect changes in the Armed Forces, otherwise critical things could happen in the country.

Meanwhile, the so-called "due obedience" theme seems to gain more impetus as the days go by. This is a dangerous theory whereby an attempt is being made to exert pressure on the democratic government to exonerate all subordinate officers who committed heinous crimes.

The rightist groups and the unsatisfied and guilty military men seem to be hatching a plot that only a firm stance on the part of the authorities, and the support of the people, will be able to stop.

BLANCO SUFFERS HEART SPASMS, BALAGUER SILENT

PY020218 Madrid EFE in Spanish 2307 GMT 1 May 87

[By Rosendo Sepulveda]

[Text] Santo Domingo, 1 May (EFE) -- Dominican President Joaquim Balaguer today declined to comment on former President Salvador Jorge Blanco's asylum at the Venezuelan Embassy. An arrest warrant has been issued against Blanco. Asked about the case, President Balaguer said: "No comment."

Claiming that he is being subjected to "political persecution," on 30 April Blanco sought asylum at the Venezuelan Embassy with his wife, Asela Mera, and his children, Orlando and Dilia Leticia. Fourteen hours earlier, Judge Francia Concepcion Martinez had ordered Blanco's preventive arrest.

Marino Vinicio Castillo, an attorney and a politician, has charged Blanco with corruption against the Dominican state during his administration, which began on 16 August 1982 and ended on 16 August 1986.

It was learned today that Blanco had to be treated this morning by three doctors at the Venezuelan Embassy after suffering cardiac spasms and arterial hypertension. After their visit, the doctors said the former president "is recovering satisfactorily."

In a 17-page handwritten letter published today by the local press, Blanco stated that his asylum and that of his family. [sentence as received] In the letter, which is addressed "to the Dominican people," Blanco said that his government neither persecuted nor ordered that anyone be persecuted because of his political ideas of his involvement in governments [words indistinct] that he helped build with the Dominican people's efforts could degenerate to the point of forcing him to take the dramatic decision of seeking asylum.

Finally, Blanco appeals to the clear conscience and understanding of the Dominican people to judge his decision to seek asylum. He states that this decision has caused emotional and moral stress to his entire family and to the men and women who are members of the glorious Dominican Revolutionary Party (PRD).

Manuel Antonio Cuervo Gomez, a retired lieutenant general and former armed forces minister under the Blanco administration, is also facing charges in the same case and has been under preventive arrest in a local prison since 22 January. The following former officials are also facing charges: Major General Juan Jose Rodriguez Ortiz, retired, the formed National Police chief; former police generals Ganimedes Ramirez and Eleodoro Berroa Contreras; Captain Silvio Guerrero Rivera; Leonel Almonte, former honorary budget adviser; and Juan Tomas Pena Valentin, a supplier for the Armed Forces and the National Police.

Jose Francisco Pena Gomez, the PRD president and vice president of the Socialist International, has said that although he does not rule out a degree of political persecution, most of the former officials brought to trial on charges of corruption are not PRD members. He noted that the PRD is paying "an extremely high cost" for them.

DOMINICA

OPPOSITION CONDEMNS UPCOMING 'OPERATION CAMILE'

FL291444 Bridgetown CANA in English 1308 GMT 29 Apr 87

[Text] Roseau, Dominica, April 29, CANA -- The opposition Dominica Labour Party (DLP) today condemned as intimidatory, exercises being held here next week by forces from the eastern Caribbean, Britain, the United States and Jamaica.

Code-named Operation Camile, the exercise is the first to include units from all seven members of the Regional Security System (RSS), including Barbados and St. Vincent and the Grenadines, which have voiced reservations about the military aspects of the RSS. The exercise emphasises civil defence and coast guard functions, rather than military operations, and includes a rehearsal of sorts of the evacuation of civilians endangered by a volcanic eruption.

The Dominica Labour Party views the presence of large numbers of foreign troops...under the pretext and cover of practicing evacuation techniques in the event of a volcanic eruption as a vulgar intimidation of the Dominican people... said DLP leader, Michael Douglas. War games, war planes, warships are not what we require, he declared. Instead, he added, Dominica needed economic assistance to put its unemployed youths to work.

Douglas said Dominica needs aircraft laden with tourists, and cruise-liners in order to help find work for the unemployed. ...We have enough soldiers of our own. The only war we want waged on our soil is the economic war, Douglas added. We say to all foreign troops: leave our beautiful island... Douglas said.

About 700 members of the RSS, as well as forces from Jamaica, Britain and the U.S. will participate in the exercises. A major part of the operation will be a civic action programme, with American Army reservists working with local volunteers to upgrade recreation fields, repair a local hospital, and clear the harbour.

The last major exercise between RSS and western military forces took place in St. Lucia in 1984, but stressed military aspects, simulating insurgency in that island. Smaller exercises recently took place in Barbuda, part of the Leeward Islands state of Antigua and Barbuda.

JAMAICA

MANLEY TO RESUME POLITICAL ACTIVITIES IN JULY

FL012333 Bridgetown CANA in English 1952 GMT 1 May 87

[Text] Kingston, Jamaica, May 1, CANA -- Opposition People's National Party (PNP) leader Michael Manley is doing well in recuperating after a second surgical operation that removed most of his colon, but is sticking to doctors orders not to return to active political duties until the end of July, a spokesman for the party told CANA. He is fine, he is doing well indeed, said spokesman Hartley Neita, but won't be able to resume political work until July.

Asked if Manley was doing anything at all, Neita said he was working on a book on cricket to be published later this year.

Neita also said Manley met regularly with the general secretary and the chairman of the PNP and discussed the general state of the country's economy and also played bridge with visiting friends.

Manley, sixty-two, had a surgical operation early last month to remove most of [the] colon affected by the condition diverticulitis, and his personal physician Matthew Beaubrun told reporters he was giving him until the end of July to resume full political activities. There had been speculation that Manley would no longer be able to lead the PNP in demanding an election from the ruling Labour Party.

I have no doubt that if it (the ailment) follows the normal pattern then Mr Manley should be able to undertake the leadership of the PNP and take on the duties as prime minister, should that come about, Beaubrun said.

PRIME MINISTER SEAGA ANNOUNCES 1987-88 BUDGET

FL241632 Bridgetown CANA in English 1518 GMT 24 Apr 87

[Text] Kingston, Jamaica, April 24, CANA -- Jamaica Prime Minister Edward Seaga last night opened parliamentary debate here on what he described as government's 1987-88 growth budget of J6.9 billion dollars (1 JCA dol=18 U.S. cents), to be financed by borrowing J8,868 million dollars, and revenue of J1,385.6 million dollars.

Seaga, who is also minister of finance, said J1.835 billion dollars of the amount is to finance a government capital investment programme, which will be the biggest in 12 years, representing a 10.3 per cent increase in expenditure over last year's.

The economic success of the 1986-87 financial year which ended March 31, had been the greatest in 15 years, he said, and borrowing will be held down to two to three percent of gross domestic product (GDP).

The prime minister said that as part of the government's effort to safeguard future generations a law would be passed this year to set a ceiling on the size of the overall annual budget deficit.

Beginning now and continuing over the next five years, the present 49 percent of export earnings required to pay debt would be reduced to 25 percent.

He said a substantial portion of the revenue to finance this year's budget would come from the government's divestment programme. Twelve government hotels would be put up for sale, also the state-owned broadcast media, and 20 percent of a newly-formed holding company for the telephone company and Jamintel, which provides the island's outside telecommunication links.

The divestment of the Caribbean Cement Company would be completed this year, with 10 percent of the shares going to the Norwegian Cement Company, Norcem, to help the plant to break into the North American market. A limit will be placed on the subscription of the company's shares by any one individual, or corporation, Seaga said. The government would take over the company's foreign debt, exchanging this for the equivalent in its local debt to enable it to avoid foreign exchange risks.

The state-owned Jamaica Broadcasting Corporation (JBC) radio and television stations are to be privatised, with workers owning shares, and a license will be issued for a new television station. The government will also sell its shares in the other main radio station here, Radio Jamaica. After the divestment of the broadcast media, Seaga said, government will establish a public broadcasting corporation to feature cultural and educational programming.

The prime minister said that this year great emphasis would be placed on improving social services. More than J524 million dollars is being allocated to improving a range of social service, including roads, water, education and health.

Some J140 million dollars has been earmarked for the improvement of water services, much of it for upgrading the supply to the tourist centre of Mantego Bay, the island's second city.

J40 million dollars will go to education, to complete the building of fifty primary schools, begun sometime ago, and to expand the present school feeding programme. The traditional all-age schools will be upgraded to the secondary level, with the abolition of the controversial 11-plus common entrance examination for entry to secondary high schools.

Grants to each student in the entire school system will be increased substantially, the prime minister said. A council is to be launched to prepare the way for degree programmes at the College of Arts, Science and Technology, C.A.S.T, and the College of Agriculture.

In health, efforts will be made to build a second children's hospital and the price of a range of imported drugs will be drastically cut, Seaga said. Pensioners would have their benefits increased under a J9 million dollar allocation, the prime minister said, with none receiving less than J200 dollars a month, along with special tax concessions.

ST LUCIA

OFFICIAL RESULTS GIVE COMPTON VICTORY IN ELECTIONS

FL010325 Bridgetown CANA in English 0321 GMT 1 May 87

[Text] Castries, St Lucia, April 30, CANA -- St Lucian Prime Minister John Compton was returned to power tonight after the country's second general elections in a month. Official results gave Compton's United Workers Party (UWP) 10 of the 17 parliamentary seats, one more than it gained in the April 6 vote. The other seven went to the St Lucia Labour Party (SLP) of businessman Julian Hunte.

After his one-seat (9-8) win earlier this month, Compton returned to the polls for an improved mandate, which may hinge on a recount tomorrow. That will take place in the Anse-la-Raye-Canaries Riding, where former Agriculture Minister Ira Dauvergne sneaked home by three votes over the SLP incumbent George Regis -- the only change from the last parliament.

"We have a majority with which we can work," the prime minister told CANA tonight, adding that he had hoped for a better showing. We had sought a wider margin, saying this would be necessary to insure political stability and economic development.

Compton, 61 tomorrow, would not be drawn into commenting on indications that the actual votes cast for the UWP had fallen.

Voters seem to have disregarded the appeal of Compton and the other party leaders to turnout in large numbers. Hunte said today he sensed a feeling of apathy among the voters, many of whom complained they had already cast ballots on April 6, when 60 per cent of the electorate voted.

The third party in the contest, the left-leaning Progressive Labour Party (PLP) again fared badly in the four constituencies it contested.

Compton, a farmer and lawyer, has ruled the former British colony for 20 of the past 23 years. Governor General Sir Allen Lewis is expected to formally swear him in tomorrow for a sixth term.

It was announced earlier that the queen had agreed to extend Sir Allen's term of office until May 15. The governor general was due to retire today.

Recount Called

FL011755 Bridgetown CANA in English 1654 GMT 1 May 87

[Text] Castries, St Lucia, May 1, CANA -- A cliff-hanging recount was taking place today in one constituency to determine whether Prime Minister John Compton secured the increased majority he sought in general elections yesterday.

Official results last night gave Compton's United Workers Party (UWP) 10 seats of the 17 seats, one more than on April 6, when a 9-8 majority over the St Lucia Labour Party (SLP) pushed him back to the polls for an improved mandate.

But a recount was ordered in the Anse-la-Raye-Canaries constituency, where the UWP's Ira Dauvergne was declared winner by just three votes over the SLP's George Regis. Unofficial sources said the recount had returned the seat to Regis by 19 votes. He had won by 50 votes last time.

If confirmed, Compton would have suffered somewhat of a rebuff by the electorate, who appeared to have turned out in even fewer numbers than the 60 per cent recorded earlier this month. The prime minister had said last night that a three-seat majority was workable, although he had expected a better showing by the UWP, which also appeared to have lost votes.

Hundreds of supporters from both major parties moved into Anse-la-Raye, about 17 miles west of Castries. Armed police ensured that people kept the mandatory 100 yards away from the counting centre. Today is a May Day holiday here but activities in support of workers took second place.

Court Action Likely

FL012324 Bridgetown CANA in English 2231 GMT 1 May 87

[Text] Castries, St Lucia, May 1 CANA -- The two main political parties are likely to take court should either of them lose the lone recount for yesterday's general elections, which unofficially left the ruling United Workers Party with a 10-7 seat majority. Electoral officials said the results of the recount in the Anse-la-Raye-Canaries constituency should be announced later tonight.

But St Lucia Labour Party Leader Julian Hunte told reporters today he expected Compton to resign if his party did not win the seat and confirmed he would contest the matter in court should his party lose. Compton was unavailable for comment today but last night said he would take court action if his party failed to win the seat.

The recount was ordered after UWP's Ira Dauvergne was declared winner by three votes. Prime Minister John Compton called another election after his party won the April 6 poll by one vote -- nine seats to eight. He has said a 10-7 majority in parliament would provide a workable government.

Hunte told reporters today he was satisfied with the performance of his party. We did make a better showing. We were the most popular party in the elections as we increased our popular support by an extra 2,000 votes, he said.

Opposition Wins Disputed Seat

FL021630 Bridgetown CANA in English 1605 GMT 2 May 87

[Text] Castries, St Lucia, May 2, CANA -- The St Lucia Labour Party (SLP) was today officially declared winner of the disputed Anse-la-Raye-Canaries seat, following several recounts since Thursday's general election here. The news from Chief Elections Officer McClair Daniel altered the originally announced 10-7 outcome in favour of Prime Minister John Compton's United Workers Party (UWP).

Daniel said the BLP's George Regis took the riding by six votes from the UWP's Ira Dauvergne, a former agriculture minister. The result gave the UWP nine seats to the SLP's 8 in the 17-seat House of Assembly. A disappointed Prime Minister Compton, however, said he would work with the one-seat majority.

Compton Declares Last Term

FL021744 Bridgetown CANA in English 1646 GMT 2 May 87

[By Ernie Seon]

[TExt] Castries, St Lucia, May 2, CANA -- St Lucia Prime Minister John Compton said today he would govern with the slender one-seat parliamentary majority which emerged from Thursday's general election -- but this will be his last electoral term. I'm not running away. Whatever, happens, this will be my last electoral term. But I will go out at my own choosing and when I bow out, I'll do so honourably, he declared when questioned by CANA.

Compton's comments coincided with this morning's official announcement that in another recount today, six votes had given the St Lucia Labour Party (SLP) the disputed Anse-la-Raye-Canaries seat, originally declared to the prime minister's United Workers Party (UWP). The announcement by Chief Elections Officer Mc Clair Daniel gave the UWP nine seats to the SLP's eight in the 17-seat House of Assembly.

Though disappointed, Compton said he would work with the slim majority. ..That is what the people gave me to govern with and I'll govern, said the lawyer-farmer, who turned 61 yesterday.

Compton, who called the unprecedented second general election in a month because of a similar one-seat margin in the April 6 poll, said the result had shown up serious deficiencies in the UWP's party machinery, which will have to be addressed before the next such poll, whenever that is. A cabinet should be known by tomorrow, he said. Compton said he did not expect the result to change the overall economic and social trust of the government.

SLP leader Julian Hunte praised his party's strong showing in this latest election. We were the most popular party in the election and we increased our popular support by an extra 2,000 votes. So I'm reasonably satisfied that we gave a good account of ourselves, the St Lucian businessman told CANA.

Asked if his party would support formation of a national unity government in the circumstances, he said he was not at liberty to discuss the issue, since the SLP would have a lot of thinking to do on the subject. Whatever happens, he said, St Lucians must come first and the SLP will do all in its power to ensure the country does not suffer as a result of any problems that arise out of the current political situation.

TRINIDAD AND TOBAGO

FINANCE MINISTER RULES OUT DEVALUATION, IMF HELP

FL221626 Bridgetown CANA in English 2343 GMT 22 Apr 87

[By Debra Ransome]

[Text] Port of Spain, Trinidad, April 21, CANA -- Junior Finance Minister Trevor Sudama today ruled out a second devaluation of the Trinidad and Tobago dollar and any request to the International Monetary Fund (IMF) to help pull the economy out of trouble. While our position is difficult, it is not one about which we have to panic, Sudama told a news conference held to explain his early April visit to Washington to represent Trinidad and Tobago at a meeting which put forward proposals to the IMF.

Sudama told reporters the consequences of a devaluation were too severe to think about at this time. The dollar was devalued by 33.3 per cent in 1985. On IMF aid, Sudama said Trinidad and Tobago should have the independence of mind to try to put our house in order without being dictated to. He reported that Trinidad and Tobago had U.S. 265 million dollars left in foreign-exchange -- enough to service another three months of imports. These were estimated at some 90 million dollars per month for the first three months of 1987.

Sudama said the republic also had access to special drawing rights (SDRs) at the IMF, totalling U.S. 63 million, and the IMF reserve funds equal to U.S. 91 million dollars. Trinidad and Tobago also had access to compensatory financing facilities to the tune of 83 per cent of its U.S. 151 million dollar IMF quota.

Sudama described the foreign reserves sum as fairly comfortable, comparing it to the internationally accepted three months covering period. At the same time, though, he called on Trinidadians and Tobagonians to control their foreign exchange spending voluntarily through less foreign travel and consumption of more locally-produced goods.

We have taken the position that there is going to be no devaluation but we will do whatever is necessary to curtail our outflow of foreign exchange, curtail the imports and the outflow of service payments and so on in order to keep our currency at the level at which we have established, Sudama remarked.

The consequences of a devaluation are too severe to contemplate at this point in time, Sudama added, noting the country's dependence on inported items for consumption and basic inputs for production.

He told reporters that any benefits for the country's export earnings would have to be weighed against the consequences for the cost of living, the consequences for our productive structure. He remarked: I do not think that, in the forseeable future, the question of a devaluation of the currency of Trinidad and Tobago is at all even contemplated.

There had been widespread speculation that the government would devalue the dollar as oil prices fell sharply. Oil is Trinidad's major foreign exchange earner. When Trinidad and Tobago's four-month-old administration presented its first budget three months ago it was based on expectations of revenue from oil settled at U.S. 18 dollars a barrel.

Sudama said the benefits of the improvement in the oil price over the three months of the year were expected to show up in second quarter economic figures. He disclosed that government would return to parliament with an amended budget -- possibly reviewing central government spending, further cutting spending on the large state sector and enhancing public sector efficiency -- should oil prices suddenly decline in 1987.

Sudama described the economy as an unbalanced one which must be diversified. While government placed its short term foreign exchange hopes on tourism -- expected to cause substantial increases in foreign exchange in 1987 -- Sudama said agriculture and agro-industry were being looked at to cut the country's import bill.

The situation was far graver than anyone thought it would be, Sudama said answering questions on an economic report released from Washington two days ago and describing the new government as walking a tightrope in its economic policies.

Sudama said the new administration had been working to build up investor confidence as a long term economic solution.

The IMF, if you went to access a standby arrangement from them...would ask you to do a number of things and ask you to do them drastically, within a certain time frame...regardless of the consequences, Sudama said explaining the basis for numerous government pronouncements against the IMF. We ought to have the independence of mind to attempt to put our house in order without being dictated to, Sudama added, remarking that Trinidad and Tobago could best address the necessary conditions in line with its needs and social circumstances. He said the country was not yet at the position where it would seek to reschedule debts, and he insisted that this was one way of sending jitters among foreign debtors.

The largest net outflows of foreign exchange in 1986 were reported to be to service investments (repatriation of foreign company profits) and servicing of foreign indebtedness to the tune of 1.6 billion dollars, followed by 350 million dollars for foreign travel.

Sudama said government was considering linking its foreign exchange approval rights to an industrial policy giving priority to certain priority areas. At the same time he appealed for voluntary controls, describing the oil-based economy as being hooked on foreign patterns of consumption which helped to land us in this position we are in today.

Government last week announced cuts in car part imports following negotiation with the three-assembly plant local industry to produce a smaller range of cars and more parts for vehicles here. This move is expected to save the country between TT47 and TT63 million dollars (one TT dollar=27.7 U.S. cents) over the next three years.

On the foreign debt situation, Sudama said the government directly owned U.S. 1.1 billion dollars to the end of 1986 including a TT175 million dollar placement on the Japanese private market. Another U.S. 655 million dollars was owed in the form of contingent liabilities -- raised by the country's state enterprises and government-guarantees -- while state enterprises owed U.S. 61 million dollars in non-government guaranteed debts.

Sudama said the ratio of indebtedness to the country's gross domestic product was 20 per cent -- not unduly alarming in comparision with the 32 per cent average for developing countries, the 44 per cent figures for Latin American and Caribbean countries and 35 per cent for middle income oil exporting countries. He also described the foreign debt reservicing position for Trinidad and Tobago as a situation which is not unmanageable since it neared 15 per cent of debt service ratio to exports. Other developing countries ratio stood at 15 per cent while other regional countries had an average 26 per cent ratio.

Sudama said government was fairly confident about raising the rest of the targeted TT300 million dollar local borrowing requirements later this year. He added that there also needed to be change in the use of disposable income here changing trade partners without affecting the immediate Caribbean Community (Caricom) region.

Repayment of debts owed to Trinidad and Tobago by its Caricom neighbours, Sudama said, could hardly be enforced but he admitted that some countries had already put forward barter arrangement suggestions.

Answering public queries about some visible outcome of government economic policies after four months in office, he said: I understand the impatience of people generally but I think there must be... a greater sense of realism.

Sudama was in Washington from April 6 to 10, attending a Group of 24 meeting. Sudama said the group had expressed concern over the international debt problem, over the inability of the world economy to grow, increasing protectionism, and the need for increased drawing rights to improve liquidity in the world system.

CARONI EXTENDS SUGAR SEASON, FALLS SHORT OF TARGET

FL292255 Bridgetown CANA in English 2218 GMT 29 Apr 87

[Text] Port of Spain, Trinidad, April 29, CANA -- State sugar company, Caroni, said today it would extend its 1987 sugar season due to end in two weeks time. Caroni had set a 100,000 tonne target for the January 5 to May 15 season but said that, up to yesterday, it had produced only 75,275 tonnes. The company said it would extend the deadline for as long as cane farmers submit their harvest. The season was delayed this year by an unexplained increase in illicit cane fires which has ruined 35,000 tonnes of cane.

Last year, Caroni, receiving pressure from government to become economically viable, also extended its season to June 3 following an eight week work-to-rule by sugar workers. Despite the work-to-rule, Caroni produced 92,300 tonnes of sugar in 1986 over its targeted 91,000 target.